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Prime Minister (2)

To see. I have re-arranged the long-postponed BR/unit meeting for Tues. when you will be able to take stock of the post McCarthy BR position. MLS 5/5

MR SCHOLAR

cc Mr Walters
Mr Ingham

The Threatened Dock Strike; and the BR/ASLEF Dispute

The Prime Minister may welcome two pieces of modest good news.

There will be no national dock strike starting on Monday 10 May as threatened. The Cabinet Office Contingencies Unit met this afternoon to prepare for one, but we heard in the course of it that Connelly (TGWU Docks Group National Secretary) has decided to recommend to the TGWU suspension of action to allow time for the preparation of specific and detailed proposals, as suggested by Mr. Waddington on 5 May. The first reaction of Transport and Employment officials to this news is that the TGWU have accepted the lifeline thrown to them to avoid a strike, but that their demand for the extension of the Dock Labour Scheme to non-scheme ports (notably Felixstowe and Dover) cannot be put off indefinitely. The next danger point will be when the TGWU come back with proposals, perhaps in eight to twelve weeks, but the process of consultation may be extendable for much longer. Nevertheless this has been a nasty scare: we have come perilously close to the first national docks strike for ten years. Officials are agreed that we need to look urgently at the options for withstanding one if necessary - which ought to be more practicable as the docks have become less labour intensive. We may need to put the docks higher on the list of priorities for MISC 57 type work, and in due course the Cabinet Office will put forward proposals.

According to reliable sources the McCarthy tribunal is going to come down clearly in favour of flexible restoring on the railways. The report will definitely be available to the Parties this Friday; and behind a lot of unnecessary verbiage, it will say that flexible rostering is essential to the survival of the railways in the twentieth century. It will provide

/clear

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clear pointers to further negotiations between BR and ASLEF; on the maintenance of earnings, taken week by week rather than day by day, and on the proportion of rosters (McCarthy thinks they will be less than 25%) that will exceed an 8½ hour day; on both of these ASLEF will no doubt seek guarantees. And McCarthy will say that the rosters must be negotiated depot by depot, which the media may present as a fudge, but is in fact the only way to do it and what is already happening with NUR. McCarthy will also say that there is no question of the 39 hour week until flexible rosters are in place. The issue may thus become whether ASLEF will accept the tribunal's findings, rather than BR's reactions to them: and it is highly relevant that ASLEF's annual conference begins the week after next. We should see a period of intense negotiation between BR and ASLEF before then.

5 May 1982

cc/JV Ind Pol

(2)

Prime Minister

The 10 May dock strike is off.

MLS 5/5

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Michael Scholar Esq
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5 May 1982

MS

Dear Michael

THREATENED DOCK STRIKE

TPM'd

In Barnaby Shaw's letter earlier today he reported on the meeting that Mr Waddington had last night with representatives of the TGWU at which he told them that the Government would be prepared to discuss and consider any specific and detailed proposals the union might want to make for particular ports or wharves, whilst giving them no encouragement to believe that an extension of the Scheme was likely to be justified. This position was confirmed in a letter to the union at their request.

We have now heard that the TGWU's National Docks and Waterways Committee have this morning recommended suspension of the strike threatened from 10 May to allow the union to prepare specific and detailed proposals for an extension of the Scheme to particular ports and wharves. This recommendation has to be endorsed by a recalled National Delegate Conference over the coming weekend. Mr Connolly is privately confident that this endorsement will be forthcoming. Officials here accept that assessment, but there must just remain some possibility that the Conference could take a different view or that that there might be some unofficial action on Monday which would be likely to be shortlived.

We have no indication of how long it might take the TGWU to come up with specific proposals and having now drawn back from a strike they may not want to do so at all quickly. Even when proposals are advanced there must follow a period of extensive consideration and consultation with interested parties. Nevertheless there still could come a time when the union will press for a decision on specific proposals and a refusal to meet their wishes and at least propose an order extending the Scheme will be met with a renewed threat of industrial action.

In further consultations the objective of the Department will continue to seek to persuade the TGWU that an extension of the Scheme is irrelevant to the industry's wishes and indeed to the interests of dockworkers themselves.

Copies go to those who received the earlier letters.

Yours sincerely

Marie Fahey

MISS M C FAHEY
Private Secretary

ks

NBPM
MES 5/5

cc JP

Prime Minister (2)

No lifting of the May 10 strike threat.
MES 5/5

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Michael Scholar Esq
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5 May 1982

Dear Michael

THREATENED DOCK STRIKE

As foreshadowed in my letter of 28 April, Mr Waddington met representatives of the TGWU yesterday evening when they sought assurances that the Government would be prepared to extend the existing 1967 Dock Labour Scheme to non-scheme ports and wharves.

The TGWU representatives were left in no doubt that the Government was not persuaded that any extension of the Scheme could be justified. Nevertheless, they were told that the Government would be prepared to discuss and consider any specific and detailed proposals the union might want to make for particular ports or wharves. In doing this, the Government would need to be persuaded that there were real and practical benefits to be gained from the adoption of any proposal, and they would have to apply stringent tests. The views of all interests concerned, including those of employers, would be an important consideration. Care was taken not to mislead the union representatives to believing that any extension of the Scheme was likely.

The representatives are to report back to the union's National Docks and Waterways Committee this morning. They left the meeting saying that nothing had been offered which was likely to cause the decision for a national strike from 10 May to be changed.

They readily gave assurances that, in the event of a strike, dockers would ensure that all work in connection with the South Atlantic crisis was performed.

Copies go to those who have received my earlier letters on this.

Yours ever
Barnaby Shaw

J B SHAW
Principal Private Secretary

CONFIDENTIAL

Ind Pol

PA.

MR. SCHOLAR

c. Mr. Ingham

Possible National Dock Strike on 10 May

The Prime Minister will not welcome this news, but I feel I should ask you to draw her attention to the possibility of a national dock strike beginning on 10 May, because events in the Falklands have meant that it has been given little prominence in the media.

The call for an indefinite strike stems from a resolution of the TGWU in support of the extension of a Dock Labour Scheme. Whether or not a strike will ensue will be clearer after a meeting between the Department of Employment and TGWU representatives on 4 May, but at present the Department of Employment rate the chances of a strike as quite high.

The CCU will be meeting at official level on 5 May to take stock of the situation and prepare any necessary advice for Ministers; I will of course attend.

J.M.M. VEREKER

29 April 1982

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SP

cc SV.

Prime Minister (2)

MLS 28/4

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Michael Scholar Esq
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10 Downing Street
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28 April 1982

Dear Michael

THREATENED DOCK STRIKE

with PM 23/4/82

Since I wrote to you on 22 April the first threatened strike (over the National Dock Labour Board's proposals) has been withdrawn.

That leaves the threat in support of an extension of the Dock Labour Scheme. On this Mr Waddington has had an informal and private exchange with the National Secretary of the Transport and General Workers' Union Docks Group. Mr Waddington has agreed to meet with him and representatives of his Group on Tuesday 4 May at 4.30pm.

At that meeting we intend to give no encouragement to TGWU to think that the Government is in any way disposed to extend the scheme but will have to indicate that the Government would be ready, as it must be, to consider any detailed and specific proposal the TGWU might make to extend the scheme to a non-scheme port.

It is hoped that this might lead to the removal of a national strike threat from 10 May but a continuing threat of industrial action could well remain.

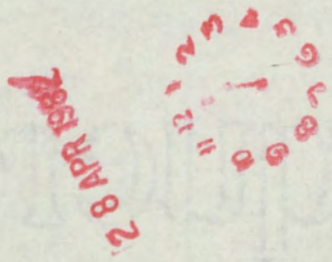
Mr Waddington was assured on behalf of the Transport and General Workers' Union that if industrial action did take place, the TGWU would ensure that full co-operation would be provided in the docks for any work associated with the crisis in the South Atlantic.

I am copying this as before to the Private Secretaries of members of E Committee and of the Secretary of State for Transport and Defence, of the Foreign Secretary and of Sir Robert Armstrong. As this matter was raised on the business statement last week I am also sending a copy to the Private Secretary of the Leader of the House.

Yours ever

Barnaby Shaw

J B SHAW
Principle Private Secretary



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Prime Minister (2)

MLS 23/4

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Michael Scholar Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON SW1

22 April 1982

Dear Michael

THREATENED DOCK STRIKE

You are aware of yesterday's resolutions of the TGWU's National Docks Delegate Conference.

The first, calling for a strike from Monday 26 April unless the National Dock Labour Board withdraws its Consultative Document on internal reorganisation and economies, is a matter between the TGWU and the NDLB (on which employers and unions are represented in equal numbers). At a scheduled meeting this morning the Board discussed its proposals in the light of the extensive consultations which have taken place over the last few weeks, and agreed a revised document which effectively supersedes the original consultative proposals. This leaves the strike threat without a clear focus, but the situation may remain uncertain over the next few days. The possibility of some more unofficial action next week cannot be discounted, but widespread action seems unlikely. The unofficial one-day strike yesterday (on the same issue) was supported by less than half of the registered dockers and the ports of London, Bristol and the Tees worked normally.

To the best of our knowledge, in this and other recent local port stoppages work connected with the Falkland Islands situation has been unaffected. We would expect this position to continue.

Yesterday's Delegate Conference also called for an indefinite strike at all ports from May 10 in support of extending the Dock Labour Scheme. A somewhat similar resolution last year was given a low key response by Ministers, and led to nothing. The National Secretary of the TGWU Docks Group has asked to see my Secretary of State about this, and we shall keep you informed.

Copies go to private secretaries of E Committee members, and of the Secretaries of State for Transport and Defence, of the Foreign Secretary and of Sir Robert Armstrong.

Yours

Barnaby Shaw

BARNABY SHAW
Principal Private Secretary

Ind Pol.

Prime Minister (2)

To note.

MLS 24/3

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Prime Minister

STRIKE IN THE PORT OF LONDON

Earlier this week registered dock workers (rdws) employed by the Port of London Authority, and belonging to the National Amalgamated Stevedores and Dockers (NASD) (about one-fifth of rdws in the port), came out on strike. They are refusing to accept a recommendation from the port industry's own arbitration machinery of a 6% pay increase, plus improvements in bonuses representing up to 1% more for those eligible. We have just heard that the PLA's remaining rdws, who belong to the Transport and General Workers Union, have also voted to reject the offer, and it therefore seems likely that at a mass meeting on Thursday they will decide to go on strike as well. But as they are already refusing to cross NASD picket lines, (and, in consequence, not being paid by PLA), this is little more than a formality.

The union action has effectively halted all the PLA's cargo handling, including the grain and container terminals at Tilbury. Closure of the grain terminal as a result of the strike is unlikely to threaten food supplies in the forseeable future; last year the adjoining mills kept operating even though a dispute closed the terminal for six weeks. The strike currently is not directed at the private operators on the riverside wharves.

The financial implications of the strike could be very serious for the PLA. Not only is it likely to cost the Authority almost £1m a week, but there must be serious risk that they will lose traffic permanently if the strike continues for any length of time. On the other hand the PLA is in no position to improve on

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the arbitration finding, and has made this very clear to the workforce. The PLA's position is entirely consistent with the Government's requirement that they should break even in 1983. I will therefore continue to make it clear both to PLA, and in public, that the strike does not affect this remit. There seems little prospect of sympathetic action in other ports.

I am copying this letter to Cabinet colleagues and to Sir Robert Armstrong.

DJH.

DAVID HOWELL

24 March 1982

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