

CC JV

PRIME MINISTER

NATIONAL HEALTH SERVICE PAY

The response within the health service to the three day stoppage this week was of the same order as the previous days of action. Many staff continued to work but a number of hospitals across the country could provide only restricted services.

I attach the Statement issued by the TUC Health Services Committee after their meeting on 22 July. The unions remain committed to further industrial action in support of their claim and have called for a five day national stoppage beginning Monday 9 August, local selective action between now and then and sympathetic action during the national stoppage by all TUC affiliated unions.

Our strategy remains the same. First, every opportunity is used to emphasise that no more money will be available this year, that the offers on the table are fair in relation to settlements elsewhere and that the industrial action is damaging and unjustified. This has been effective. The media is critical of the effects of industrial action and in general do not support the unions' claims. The unions are sensitive to this as demonstrated by their anger at the publicity we have given to effects of the dispute and the differences of view on further action between COHSE and NUPE reported in Friday's press. There is also a marked reduction in the level of sympathetic action by TUC unions not involved in the dispute.

Second, we repeat our firm commitment to nurses and in particular to better long term arrangements and have arranged for advertisements on the current 7.5 per cent offer to appear in the Nursing Journals from next week; a copy of the draft advertisement is attached. (I am proposing to place similar factual advertisements in the national press aimed at NHS staff generally.) This will provoke an angry comment from the TUC unions as did our instructions to the health service to ensure that all employees were informed individually of

E. R.

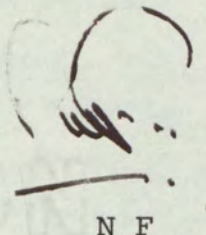
what is on offer. A favourable outcome in the ballot would weaken considerably the TUC unions' strategy.

Finally, I have reaffirmed my willingness to discuss longer term arrangements with the unions representing other health service staff. The end of that road is not clear. Our emphasis on factors other than comparability and in particular those of affordability and improving efficiency will be a long way from the unions' aspirations. Nevertheless it does offer a way out of the present impasse for the unions since there is nothing else on offer for this year. And it is in our interest to stress that we would prefer to avoid an annual confrontation.

I believe this is the best and indeed only approach - consistent with our broad economic and other problems. I hope colleagues will continue to use opportunities to get our message across.

I am sending copies of this minute to other Cabinet colleagues and Sir Robert Armstrong.

26 July 1982



N F

STATEMENT FROM TUC HEALTH SERVICES COMMITTEE 22 JULY

The TUC Health Services Committee today reviewed the progress made in their united pay campaign. All the unions considered that the three days of intensive nationwide industrial action had been tremendously successful and they expressed their appreciation for the widespread support for the pay campaign, demonstrated by a great range of workers outside the Health Service who have recognised the importance of this campaign for the future of the Health Service

The intransigence of the Secretary of the State leaves the Committee ever more determined to maintain and consolidate its coordinated programme of industrial action, to reduce the Health Service to an accident and emergency only and to plan for five further days of intensive nationwide industrial action from August 9 to 13 inclusive.

The TUC General Council are again to be urged to encourage all TUC affiliated unions to take sympathetic action on those days, and in particular to organise 2-hour workplace meetings to enable health service workers to explain their case.

In the meantime, unions will be stepping up their industrial action organised locally, in particular selectively withdrawing key workers. All these actions will be undertaken in accordance with the TUC Code of Conduct. The coordinating committee will be meeting at 5.00 pm on July 27 to determine detailed plans for the further action.

The Committee restated their clear willingness to negotiate with Secretary of State and indeed their continued willingness to use the services of ACAS. They deeply regret the continued unwillingness of Secretary of State to reconsider his present unacceptable offer.

The Committee is determined to press ahead in unity with its campaign which is backed up by enormous public support.

IMPROVED PAY OFFER TO NURSES

An improved pay offer of 7½ per cent has been made to nurses and midwives. The proposed increases for certain grades are shown below. Important points to note are:

* The offer is about 1½ per cent more than has recently been agreed for other public groups, notably doctors, teachers, civil servants and the armed forces.

* The new pay scales would be backdated to 1 April 1982 and backpay would be paid as a lump sum as soon as possible.

* The increases would give staff nurses at the top of their scale an extra £7.81 a week on basic pay; ward sisters at the top of their scale an extra £10.38 a week.

* The Government has now made it clear that this is the final offer. There is no more money for further improvement.

In addition, the Government is committed to developing an agreed permanent method of determining nurses' and midwives' pay for introduction in 1983.

Weekly pay	Old Basic	New Basic	Estimated New Average Earnings
Student	£63.10 to £68.91	£67.83 to £74.07	£74.95 to £81.85
Nursing Auxiliary	£60.28 to £77.04	£64.80 to £82.81	£77.76 to £99.37
Enrolled Nurse	£76.87 to £92.73	£82.64 to £99.69	£97.80 to £117.98
Staff Nurse	£85.34 to £104.06	£91.75 to £111.87	£107.35 to £130.89
Ward Sister/Charge Nurse	£107.93 to £138.37	£116.03 to £148.75	£132.27 to £169.58
Nursing Officer I	£125.10 to £149.42	£134.48 to £160.62	£142.48 to £170.17
Director of Nursing Services III	£198.49 to £236.85	£210.40 to £251.06	Basic Pay Only
District Nursing Officer DHA1	£294.92 to £378.82	£312.62 to £401.55	Basic Pay Only
Regional Nursing Officer R1	£328.39 to £420.46	£348.08 to £445.68	Basic Pay Only
Clinical Teacher	£119.82 to £144.81	£132.29 to £158.81	Minimal Additional Earnings
Senior Tutor	£141.76 to £166.08	£155.44 to £181.21	Minimal Additional Earnings
Director of Nurse Education I	£228.70 to £257.47	£242.43 to £280.54	Basic Pay Only

27 JUL 1982

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bc JV DSG

10 DOWNING STREET

From the Private Secretary

28 July 1982

Dear David,

NATIONAL HEALTH SERVICE PAY

Your Secretary of State minuted the Prime Minister on 26 July about National Health Service Pay.

The Prime Minister agrees with your Secretary of State's approach. She has commented that the proposal to discuss longer term arrangements with the unions representing health service staff other than nurses is, as your Secretary of State suggests, hedged about with difficulties, since the Government is willing to enter into these discussions only on an exploratory basis, and subject to a number of conditions (set out in my letter of 16 June).

I am sending copies of this letter to the Private Secretaries to the other members of Cabinet and to David Wright (Cabinet Office).

Yours sincerely,

Michael Scholer

David Clark, Esq.,
Department of Health and Social Security.

DL

CONFIDENTIAL

27 July 1982

MR SCHOLAR

Prime Minister

①

cc Mr Mount

NATIONAL HEALTH SERVICE PAY

Agree that X should be included in a reply to Mr Fowler's office which otherwise generally

please see his minute to you, attached

I am sure that Mr Fowler is right, in his note of 26 July, to reaffirm the current strategy in our handling of the NHS dispute. But there is one point of which I think you should remind Mr Fowler's office, if the Prime Minister agrees, in your acknowledgement.

approach?

Mes 27/7

M/S

You will recall that we were very anxious about Mr Fowler's commitment to discuss longer-term pay arrangements other than for the nurses; and that the Prime Minister, sharing this concern, called Mr Fowler in on 16 June. Your record of that meeting says clearly that Mr Fowler "could offer discussions designed to investigate the scope for long-term improvements in the arrangements for negotiating NHS pay" - Mr Fowler, in his current formulation, has dropped the reference to "the scope for"; and your record also made it clear that there were conditions attached to the Prime Minister's agreement - no commitment to arbitration in 1983; no question of favourable treatment for NHS groups; and no move towards indexation or automatic links with other groups. While I have every sympathy with Mr Fowler's need to make as much as possible of the longer-term arrangements, I think it is particularly important that we remind him of the constraints under which he is operating, as we enter discussions with the Civil Service unions on the post-Megaw arrangements.

JOHN VEREKER

CONFIDENTIAL

*Nat Health
of SV.*



Prime Minister 2

These arrangements will ensure ministerial cover in DHSS over the summer.

*WH
2/8*

PRIME MINISTER

NHS PAY DISPUTE - COVER BY DHSS MINISTERS

I undertook to let you have a note of the arrangements I have made to secure Ministerial cover for any developments in the NHS pay dispute during August.

I would be available, either in the office or in England, during the following periods:

31 July to 16 August inclusive (ie including the period of the 5-day strike)

26 August to 29 August inclusive.

Kenneth Clarke will be available during the following periods:

17 August to 25 August inclusive

31 August to 5 September inclusive.

On 30 August, Geoffrey Finsberg will be contactable by telephone in Norfolk. In addition, Hugh Rossi will be available up to and including 22 August; and Geoffrey Finsberg will be available, either in London or in Norfolk, from 7 August onwards.

My office will let yours have details of where all DHSS Ministers can be contacted throughout the holiday period.

30 July 1982

N F

Prime Minister

PA Mus 30/7

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Bernard raised this with me and

I put the case to him for going ahead
with this advertising.

~~His whole background and experience,~~
nonetheless, makes him think it wrong - particularly
in view of X. Do you wish to go ahead with me

PRIME MINISTER

DHSS ADVERTISING SPACE

I have only just learned of a plan by DHSS to buy advertising space to put over the facts of the pay offer to hospital staffs in view of the blacking in some areas by NALGO.

I am all in favour of employers getting over direct to their employees (and to the public, if necessary) the details of their offer and not leaving it to the unions or shop stewards to make a bad or distorted case.

advertising?
Mus 19/7

But the advertising should be by the employer. In this case the Government is not the employer; the health authority is. And it is the health authorities who should put over the facts of their offer through the newspapers.

If the DHSS goes ahead with the plan to take advertising space it will:

- politicise the dispute beyond doubt; is this what the Government wants with Scargill positively itching for an opportunity to go to war?
- raise questions about the proper use of public money or possibly the use of public money for political ends;
- create a precedent which might not be welcome in other disputes or which would provide cover for advertising by less scrupulous Governments.

x ||

All my training tells me the present plan is wrong. You will find it difficult to justify the expenditure of the money for this purpose and you have enough problems/rows on your plate at the moment without adding one unnecessarily. In any case the NHS workers, in my view, aren't going to win, especially after the ASLEF capitulation; it is only a matter of time before they are forced to face reality.

B Ingham

B Ingham
19.7.82

I will have a word

with Norman Fowler tomorrow.
I had thought that he would
try to get the offer across. What
is the alternative.
MB.