



Prime Minister (2) CC NPO

This crossed with Mr

Tebbit's letter strongly

supporting

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

18 July 1983 the voluntarist

The Rt. Hon. Norman Tebbit MP
Secretary of State for Employment

Norman Tebbit

approach is and is, I

assume, overtaken by it.

MLS 18/7

EMPLOYEE INVOLVEMENT

I have seen the recent correspondence you have had with Michael Heseltine and Geoffrey Howe about employee involvement, following your minute of 20 April to the Prime Minister and her response.

As: SS/Enwgy

I am very much of the same mind as Michael and Geoffrey. As I suggested in my minute of 26 April, although the voluntarist route is much to be preferred, I believe that we should keep open the option of legislating if voluntarism does not work. Indeed, this could well improve the chances of voluntarism succeeding.

Greater involvement and identification of the employee with the company for which he works is highly desirable. The recent CBI survey of employee involvement will, I understand, be used to publicise good employee involvement practices later this year. I see attraction in some Government action, such as a Code of Practice as Michael has suggested, perhaps backed by legislation. I hope that ways of achieving this, without creating more bureaucracy and more inspectorates, will be explored. Needless to say, nothing we do must give advantage and leverage to the unions who seek to use "employee involvement" to strengthen their own position. If we play our cards right, the outcome should be the very reverse of this.

I share Geoffrey's concern about the political dangers of inaction, and I should also be glad to join in the informal discussion he has suggested.

Copies of this letter go to the recipients of the earlier correspondence.

NIGEL LAWSON

Nigel Lawson

INDUSTRIAL POLICY : Industrial Relations
Legislation

Pt 10