SC. NAT. HEALTH: NHS Pay Part 3

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MR TURNBULL

Mr Redwood

PAY DISPUTES IN THE NHS

Norman Fowler's paper for E(PSP) suggests that the Government should offer to set up arbitration machinery in exchange for a "no-strike" agreement with the Health Service Unions.

We are sceptical for several reasons: unilateral access to normal (ie 'non-flip-flop') arbitration is expensive; bilateral access does little to prevent strikes; and "no-strike agreements" are almost worthless unless they are accompanied by action on immunities. We also believe that it would be imprudent for the DHSS to make any offers to the Health Service Unions in advance of general decisions on strikes in essential services.

We understand that both the Chancellor and the Home Secretary are likely to argue against an offer being made at this stage.

OLIVER LETWIN

Policy Unit 21 March 1984