

Prime Minister

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Agree that we ask the Department to consider the suggestions at a) and b), and to report back?
29 May 1984

SECRET

MR BARCLAY

THE BALANCE OF POWER IN TRADE UNIONS

Mrs M DMB 29/5

Tom King rightly points out that union power is generally declining. This can be pushed further and faster by a vigorous policy of deregulation and privatisation: only by breaking producer cartels can one hope to break monopoly union power.

Tom King's minute does not, however, contain any new proposals to combat either the closed shop or secondary picketing. Once the miners' strike is over, the Government should consider the lessons that emerge: it may well be necessary to take further action on picketing, probably in the civil law. For example, the law might be more useable if all secondary picketing were clearly unlawful.

The most important part of the minute is Tom King's proposal to amend the Trade Union Bill in favour of postal ballots. He offers:

- i. a reserve power for the High Court to order a postal ballot if there is any hanky-panky in union elections;
- ii. a right for union members to demand a postal vote in elections.

These proposals would greatly improve the Bill. The chances of malpractice and intimidation in elections would markedly decrease; and the essential simplicity and good sense of the Tebbit step-by-step approach would be retained.

It should not be forgotten that the Bill already constitutes a major advance in union democracy; this should not be jeopardised by introducing excessively detailed changes at this stage. But we have two further suggestions:

- a. It would be sensible to give members a general right to register as postal voters in union elections rather than a specific right to demand a postal ballot on each occasion. Intimidation is far more likely to occur if union 'heavies' know that someone intends to vote postally in a particular election than if the person in question is permanently registered as a postal voter.

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- b. The principle of postal balloting in cases of improper practice should be applied not only to elections, but also to strike votes - where there is certainly room for intimidation. This would not pose any technical problems, since the Bill already makes union immunities in the case of a strike dependent on the holding of a properly conducted ballot. The new amendment could give the High Court powers (1) to order a postal strike ballot in any area where there is evidence of malpractice or intimidation, and (2) to lift immunities if the voting in that postal ballot causes a national majority against a strike.

We recommend that the Prime Minister should welcome Tom King's paper, but that she should argue both for a right of permanent registration as a postal voter in union elections and for a High Court power to order postal ballots in strike votes where there is evidence of impropriety.

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