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Transport 34

cc. Econ Pol : Public Sector Pay: 167

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PRIME MINISTER

Industrial Affairs

Under Industrial Affairs, the main items for discussion will be:

- i. the NHS dispute;
- ii. industrial action affecting London Transport and British Rail.

NHS dispute

2. You will wish to invite the Secretary of State for Social Services to report on the latest position in the NHS dispute. In addition the Secretary of State for Employment will be ready to report on picketing by other unions in support of the NHS unions, and what might be done about that.

3. On picketing the Secretary of State for Employment and the Chancellor of the Exchequer have been giving urgent consideration to what should be done about civil servants who engage in this activity in support of NHS unions. They have commissioned an urgent report on how civil service disciplinary procedures can be brought to bear most effectively in this situation. Officials, in the shape of the Group on Industrial Action chaired by the Minister of State, Treasury, will be reporting to Ministers next week with specific proposals for consideration.

Railways

4. You will wish to invite the Secretary of State for Transport to report on the latest position regarding industrial action affecting both London Transport and British Rail. In addition the Home Secretary will be ready to give an oral report on contingency plans following his meeting of the Civil Contingencies Unit at Ministerial level this afternoon.



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5. You should also be receiving this evening two minutes from the Chancellor of the Exchequer about the legal aspects of the British Rail dispute, following the remit you gave him at your informal meeting on Monday. One of these minutes, which has been given a very restricted circulation, discusses the relevance of legislation on lay-off to the BR situation. These matters, and particularly lay-off, are probably better pursued by you and the Ministers directly concerned rather than in Cabinet.

RA

ROBERT ARMSTRONG

23 June 1982