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cc Ind Pd: Industrial Relations Legislation  
Pt 4

1. SW 18<sup>00</sup>  
2. TEL  
3. RA MAP 18<sup>00</sup>

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Bf

SUMMARY OF TELEPHONE CONVERSATIONS ON SUNDAY 17 FEBRUARY

(1) Sir Keith Joseph telephoned the Prime Minister at 1040 hours.

Sir Keith asked whether the Prime Minister had consulted the Lord Chancellor about events at Hadfields which seemed a massive breach of common law. It seemed to be an issue of enforcement of criminal law, not the form of the civil law. The Prime Minister thought that on picketing, it was an issue of changing the civil law. Once this had been done, injunctions could be taken out against individuals to test the efficacy of the new proposals. There was a case for changing the business in the House to have the picketing provisions taken as a one-clause bill and passed through all stages next week. Sir Keith reiterated that the actions of Mr. Scargill and his colleagues seemed a clear breach of common law, in the form of organising an affray. The Lord Chancellor would know the alternatives. The Prime Minister agreed that she would speak to the Home Secretary, and would leave Sir Keith to speak to the Lord Chancellor.

(2) The Prime Minister telephoned the Home Secretary at 1100 hours.

The Prime Minister referred to the aggressive picketing at Hadfields. The Government could not sit aside doing nothing. It might be necessary for somebody to propose to Mr. Prior that the picketing clause should be taken out of the main Employment Bill and handled as a one-clause bill in one day next week. The efficacy of the injunction procedure could then be tested immediately. The strike was going on much longer than anybody had expected and was getting uglier day by day. It might be possible to clear Commons business on Tuesday.

The Home Secretary said that he would talk to Mr. Prior. The Prime Minister said that he should not easily accept rejection of the one-clause bill alternative.

The Home Secretary said that he was now very disturbed on his own front. He would be investigating matters further the

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next day. He had seen the South Yorkshire Chief Constable on Thursday evening. The Chief Constable had reported that Mr. Norton of Hadfields and his colleagues had been absolutely resolute in the morning but had received instructions from Lonrho in London at lunchtime that they were to give in. This gave the impression that picketing had won.

The Prime Minister said that the Government had to be seen to act. It was not possible to continue with a bill upstairs which the Government maintained would work, but which was only slowly proceeding through the Parliamentary process. Apart from other considerations, it was unfair to expose the police without the Government attempting to take some action. The Home Secretary said that he was pleased to hear the Prime Minister's expression of support for the police. Their role was far from pleasant and could well get intolerable. Hadfields, of course, had a convenient story to explain why they had closed down. He would tell the Prime Minister the next day what Mr. Scargill had really done. He and others like him were clever. He had only been there for five minutes, made his number, and departed. This was not what the police had been quoted as saying. The Prime Minister said that she would be prepared to call an emergency meeting the next day. There was a Bill in Committee. The CBI's proposed modifications would need to be taken into account. But the picketing clause would need to be tackled separately to sort out the issue of how effective it could be.

(3) Sir Keith Joseph telephoned the Prime Minister at 1135 hours.

Sir Keith had been in touch with the Lord Chancellor, who had merely quoted the law, and had suggested that the Attorney General should be consulted on enforcement. Sir Keith felt that Mr. Scargill must be liable in law for the organisation of unlawful affray. The Prime Minister said that it might suit Mr. Scargill very well to be charged. She would like to see

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the Government's new picketing clause passed through so that injunctions could be taken out. This would force the union to decide whether to stand behind Mr. Scargill. If this did not work, then the inadequacy of this approach would be clear for all to see. She would speak to the Attorney General.

The Prime Minister asked what was the significance of the "no confidence" motion passed by the staff of British Steel. Sir Keith said that there were many factors involved, but they probably included a desire on the part of the staff to protect their own jobs. The Prime Minister said that the situation was a failure of both unions and management. She doubted whether the two would ever get together in a sensible way. Sir Keith said that the "other man" would be putting in his proposals in the coming week. The Government could not move before they had considered these. The Prime Minister said that she feared that Mr. Prior was trying to push the Government into a Court of Inquiry. An alternative strategy was necessary. One possibility would be to get Lord Robens to mediate if the unions would accept this. Sir Keith thought that the unions would be weakened by the strike before the employers, unless violent picketing drove the private sector linked to steel into retreat.

The Prime Minister said that the Government had never liked the use of the criminal law, partly because of the time it took to pursue a case. She would herself talk to the Attorney General.

(4) The Prime Minister telephoned the Attorney General at 1245 hours.

In reply to the Prime Minister's query, the Attorney General said that Thursday's situation had developed into an affray. The issue was whether the police could gather effective evidence in this kind of case. The Prime Minister said that if nothing could be achieved with the criminal law, the Government would have to consider accelerating clause 14 from the Employment Bill and

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putting this through the House in one day. The Government could not simply stand by in the face of the threat of further scenes like those at Hadfields. The Attorney General saw no obstacle to this course. The Prime Minister said that this strategy would allow one of those companies who were being picketed to test the power of an injunction. The Attorney General said that there was great advantage in using the civil law, which could be brought into operation much more rapidly than criminal penalties. He had the feeling that Mr. Sirs had lost control. He offered to talk to the Home Secretary, and the Prime Minister agreed.

(5) The Chancellor of the Exchequer telephoned the Prime Minister at 1930 hours.

The Prime Minister asked whether the Chancellor had yet put in his comments on the Consultative Document. The Chancellor said that he had sent these off on Friday evening. He had also written the Prime Minister a personal note. The Prime Minister acknowledged the personal note. She said she was concerned about the Hadfields problem. It was likely to be impossible to bring prosecutions for affray or unlawful assembly. If this was so, she wanted to consider accelerating clause 14 of the Employment Bill as a No. 2 bill which could be taken through all stages on Tuesday. The power of injunction could then be tested. If injunctions were not observed, then trade unions' immunities could be tackled in the main Bill. The Government would also need to take account of comments by the CBI on the existing Bill.

The Chancellor said that he took the view that section 14 would make picketing unlawful in various places. He explained the history of the criminal law on the offence of watching and besetting which was the key to the effect of this clause. However, the Department of Employment had not shared his interpretation. The Prime Minister said that her concern was to test the new clause 14. The Chancellor commented that the

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Government would look very foolish if they rushed the clause through and found that it didn't work. The Prime Minister said that it would be worse to find it ineffective next winter.

The Chancellor quoted a personal letter he had received from Muriel Bowen describing the scenes at Hadfields. The Prime Minister said that she expected to have a further conversation with the Home Secretary later in the evening. She also felt that she or Mr. Prior should write to Mr. Len Murray about the brutal face of trade unionism which had been exhibited the previous week. The Chancellor agreed that the Government should be challenging them, particularly over the working of the previous winter's miserable code.

The Chancellor said that he wanted to talk to the Prime Minister as soon as possible about Budget presentation. The way in which we put across the forward look, which was extremely gloomy, was a critical aspect of this.

(6) The Home Secretary telephoned the Prime Minister at 2130 hours.

The Home Secretary had been unable to contact Mr. Prior, although he had spoken to the Chancellor of the Exchequer. The Prime Minister said that the "People" leader was right. The Hadfields situation had not been a matter of mass picketing but of mass intimidation. It was a public order situation. The Government needed to know where the pickets would turn up the next day and would have to stop pickets before they got there. It was not a civil law issue but one of criminal law. The Home Secretary quoted the South Yorkshire Chief Constable who had drawn attention to a clash of priorities between keeping the works open and maximising arrests. The Prime Minister said that the Chief Constables should meet the Law Officers. The Home Secretary said that this would have to be treated with great care, as Chief Constables could not take direction from Law Officers.

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The Prime Minister stressed the need to stop pickets before they arrived at their destination. The Home Secretary undertook to investigate and do whatever he could. He hoped to speak to the Solicitor General early the next day. The Prime Minister said that she had it in mind to call Cabinet or a Cabinet Committee at 1000 a.m. the next day. She could not leave matters for a further day. The police must have guidance over their handling of the criminal offences. If the Home Secretary needed more time, she would call the meeting of Ministers at 1030.

The Home Secretary stressed that the keeping of public order would inevitably mean a major confrontation and the Government must be aware of this before embarking on that course.

(7) The Home Secretary telephoned the Prime Minister at 2245 hours.

The Home Secretary reported that the private steel company in Manchester had worked that day, but would close on Monday. In respect of Sheerness, he had been in touch with the Chief Constable of Kent. The Chief Constable had warned that he might have to arrest a great many people. He was quite determined to keep Sheerness working: he hoped that Ministers would support him although he feared that they would not. The Prime Minister hoped that Mr. Whitelaw had made it quite clear that the Government would be fully behind the Chief Constable. Mr. Whitelaw confirmed that he had done.

His sources indicated that problems at Sheerness would probably not arrive until Wednesday, although the police would be ready to deal with them on Monday if necessary. The Chief Constable disputed some of the Solicitor General's interpretation of the relevance of the criminal law on picketing. The Chief Constable had, however, had a meeting with the Assistant Chief Constable of South Yorkshire in order to learn what he could from the Hadfields experience. The Prime Minister commented that at Grunwick the police had had the means of stopping pickets

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before they arrived at the factory site. The Home Secretary wondered why Hadfields had not shown the same determination as Grunwick's management. The Prime Minister said that people should not have to run the gauntlet of intimidation like that at Hadfields. The Home Secretary agreed. It might become necessary to arrest thousands of people and the Government would have to be clear what it intended to do with them. The Prime Minister said that this was why it was necessary to be clear on criminal law provisions in relation to affray and riot.

The Home Secretary recalled the South Yorkshire Chief Constable's assurance to Hadfields. The man now felt let down. The Prime Minister reiterated that the scenes at Hadfields had been in contravention of criminal law. The Home Secretary asked where this conclusion led to. The Prime Minister believed that the criminal law could not cope and it was therefore essential to get the common law right. The Sheerness steelworks had at present no basis on which to seek an injunction. The proposed new law would provide this. She had just received a telegram from Sheerness wives. The Home Secretary undertook to establish by 1030 the next morning what powers the police had to stop busloads of pickets on route for steel companies. It was fortunate that he had rung the Kent Chief Constable, and had had the opportunity to reassure him that he would have full Government backing. He was determined.

The Prime Minister said that the next day's meeting would need to consider three matters: the public order aspects of current picketing; the possibility of taking clause 14 of the Employment Bill as a separate measure; and the question of a Government Minister writing to Mr. Len Murray asking whether he supported or condoned the trade union activities at Hadfields.

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cc PS/Sec of State  
PS/Mr Marshall  
PS/Secretary  
Mr Ridley  
Mr Gross  
Mr Murray  
Mrs Cohen  
Mr Morris  
Mr Long  
Press Office

PS/Mr Mayhew  
Mr Waite - D/Em  
Mr Pattison - No. 10 ✓