

CFAs note

Original of R. HLE



*cc: D/Transport
S.O.
Nat Inds*

10 DOWNING STREET

THE PRIME MINISTER

26 February 1980

Dear Mr. G...

Thank you for your letter of 19 February.

I am as concerned as you are about the damage which the current steel strike is causing other sectors of industry, and in particular the road haulage industry. The dispute has gone on far too long, and I only wish the steel union negotiators would get down to serious discussions with B.S.C. and reach a settlement. As we have said repeatedly, there is plenty of scope for steel workers to earn higher pay provided they are willing to get rid of overmanning and restrictive practices in their industry.

I agree with you, too, that the law must be enforced and strengthened. We have made it absolutely clear that obstruction and intimidation are illegal under the criminal law, and I am confident that our police forces will ensure that the law is adhered to.

As for strengthening the law, you will no doubt be aware that the Employment Bill currently before Parliament will restrict the right of individuals to picket to their place of work; and we intend to amend the Bill so as to restrict the immunities which trade unionists enjoy in respect of secondary action generally.

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We are also proposing to provide trade unions with funds so that they can ballot their members before deciding on strike action. In addition, we will soon be announcing measures aimed at ensuring that trade unions, rather than the state, support their members when they are on strike.

I am grateful to you for writing, and I can assure you that we are determined to redress the balance of power in our society - in favour of the wealth producers and away from those who are intent on doing them harm.

Yours sincerely

Raymond Hunt

N. John Hunt, Esq.

P.M. for SW

Chambers of Commerce Information



2

STATEMENT EMBARGOED UNTIL 1800 HOURS WEDNESDAY 5 MARCH 1980 PR 4/80

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This is helpful - especially X.

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ABCC NATIONAL COUNCIL DISCUSSES STEEL STRIKE AND EMPLOYMENT BILL

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At its meeting today (5 March) the National Council of the Association of British Chambers of Commerce gave further consideration to the steel strike situation and to the Employment Bill. *π*

Notwithstanding the long term damage that the steel strike will inflict upon industry, Council was unanimous in the view that far greater damage would be caused to the economy if the union demands were conceded. These would mean even higher subsidies from the taxpayer to steelworkers, whose earnings were already well above the national average and who had the opportunity of earning substantially more by greater productivity. Council reiterated its opposition to any interference by Government.

On the Employment Bill, Council reaffirmed its objection to the extent of the immunity given to members of trade unions who took part in industrial action which caused severe damage to innocent parties.

In particular:

- (a) it urged that breaches of the law, as amended by the Employment Bill, should give those damaged a right of action against unions and their funds for acts done by their officials or by their members, unless the union could show that it had used its best endeavours to prevent such breaches;
- (b) it strongly objected to all forms of "legalised" secondary action and would be putting forward representations on this when the Green Paper on trade union immunities was published. If it is no longer practicable to effect such changes in the present Employment Bill, amendments must be made to the proposals in the Government's Working Paper on secondary action. The principal one is that immunity in the case of "blacking" or other forms of "secondary" action causing breaches of a commercial contract of a first supplier or customer should be strictly limited to contracts with a party to the industrial dispute.

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- Employment bill
At +*