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Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

PRIME MINISTER

**DHSS DISPUTE AT NEWCASTLE**

I have seen a copy of Norman Fowler's minute to you of 13 July in which he proposes that ACAS should be allowed to become involved in the current dispute at Newcastle.

2. As you will know, we do not normally like ACAS involvement in Civil Service disputes. We already have a very elaborate set of procedures to regulate disputes of this kind and involvement of a third party ought not to be necessary. However, I accept that there are some very unusual factors in this dispute. In these circumstances, given the mounting financial costs, to say nothing of the political risks, I would not want to raise any objection to Norman's proposal. This is on the understanding, of course, that ACAS makes the first move and that its involvement is limited to conciliation and does not extend to mediation or arbitration.

3. I am copying this minute to Norman Fowler, Tom King and Sir Robert Armstrong.

M.

N.L.

17 July 1984

Civ Service: Long term P+16

UNITED STATES GOVERNMENT  
OFFICE OF PERSONNEL MANAGEMENT

18 JUL 1964







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10 DOWNING STREET

*From the Private Secretary*

16 July 1984

Newcastle Computer Centre Strike

The Prime Minister has seen your Secretary of State's minute of 13 July and agrees that ACAS should be allowed to involve itself in the settlement of this dispute. She welcomes the way your Secretary of State proposes to present this.

I am copying this letter to David Peretz (HM Treasury), David Normington (Department of Employment) and Richard Hatfield (Cabinet Office).

Andrew Turnbull

Steve Godber, Esq.,  
Department of Health and Social Security.



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DEPARTMENT OF HEALTH AND SOCIAL SECURITY

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Telephone 01-407 5522

G.T.N. 2915

*From the Minister of State for Social Security*

The Rt Hon. Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
London SW1P 3AG

22 August 1984

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*In Nigel,*

THE DHSS NEWCASTLE SHIFTWORKING DISPUTE

In Norman Fowler's absence I thought I should let you know about our thinking on the handling of this dispute, now in its 15th week. Norman wrote to the Prime Minister on 13 July and this led to two days' talks at ACAS, in itself an unprecedented step. Since then officials here have twice conducted extensive and prolonged negotiations direct with the Unions but attempts to obtain a settlement of the dispute broke down at a meeting on 21 August. It is a sad commentary that the CPSA national leaders, who had themselves suggested using ACAS, now seem to have dropped out of the picture, other than to act as paymasters to the 400 or so strikers who are being represented by some of the best-known militants in CPSA politics.

Our next step is to make what we have regarded as a very reasonable offer, tabled on 1 August, direct to the strikers. It is difficult to judge the response, but it may persuade sufficient of the strikers to return to work to enable us to carry out the bulk of the benefit uprating programme on time, using contingency procedures. This is of course, a most important factor in our thinking. However, we need to consider the position if the direct offer fails to persuade sufficient of the strikers to return. The next step in our minds is to seek to recruit the minimum number of new staff to be trained quickly to do the basic uprating work. I know that Norman intended to write to colleagues before taking this step because although it is the next logical step, it holds out the possibility of escalating the dispute. I say "possibility" because our assessment is that staff on other work at Newcastle are unlikely to take industrial action in support of the shift-workers and that staff in Local Offices are also unlikely to act. (Both groups have in fact done well in coping with the effects of the strike in keeping services going for the public.) However, it is possible that efforts will be made to call for support at the two computer centres, at Reading and Livingston, which make payments to the unemployed. The risks of industrial action at Reading where the unions have already made



E.R.

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soundings cannot be ruled out particularly if the CPSA make strike pay available.

I think our officials have been remarkably patient in the negotiations and I think it is time for us to take the initiative by the steps I have indicated. I am copying this letter to Number 10, Tom King, members of E(PSP) and Sir Robert Armstrong. A reply by Tuesday 28 August would be necessary if we are to meet the uprating timetable.

*All good wishes  
Yr ever  
Rhe*

Dr Rhodes Boyson

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23 AUG 1984

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