



10 DOWNING STREET

THE PRIME MINISTER

30 September 1982

File in C.F. CC: Emp. INDUSTRIAL POLICY. SW

Dear Monsieur Blanchard.

Thank you for all the trouble you have taken in preparing such a helpful memorandum on the ILO Conventions on minimum wage-fixing machinery about which we spoke in Geneva. I am most grateful also for your offer of further help and we will not hesitate to ask for it if the need arises.

May I say how interested I was to hear of the ILO's work in Poland, and I wish you well with that.

Yours sincerely

Raymond Barber

Monsieur Francis Blanchard

—

BAC



Ind. Pol.

CF pps

Caxton House Tothill Street London SW1H 9NF

6400

Telephone Direct Line 01-213.....

Switchboard 01-213 3000

Michael Scholar Esq
Private Secretary
10 Downing Street
LONDON SW1

Dear Michael

ILO CONVENTION NO 26 AND WAGES COUNCILS

Your letter of 14 September asked me to provide a draft note of thanks for the Prime Minister to send to Mr Blanchard, Director-General of the ILO. This is attached.

I should add that the reference to Poland in the second paragraph was suggested by Mr Long (UKMIS Geneva) because the Prime Minister had a lengthy and apparently valuable discussion with the Director-General on that subject.

Yours sincerely
Mamie Fahey

MISS M C FAHEY
Private Secretary

Pl type for PM

M Francis Blanchard
Director-General of the
International Labour Office
4 route des Morillons
CH 1211 Geneva 22

Draft
box

Thank you for all the trouble you have taken in preparing such a helpful memorandum on the ILO Conventions on minimum wage-fixing machinery about which we spoke in Geneva. I am most grateful. I am grateful also for your offer of further help and we will not hesitate to ask for it if the need arises.

May I say how interested I was to hear of the ILO's work in Poland, and I wish you well with that.

Ind Pd DSG



10 DOWNING STREET

From the Private Secretary

c. MOD
 FCO
 DWP
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 HM
 14 September 1982
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MAFF
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Dear Marie,

ILO CONVENTION NO. 26 AND WAGES COUNCIL

Thank you for your letter of 10 September to me which the Prime Minister has read with interest.

The Prime Minister would herself like to write to Mr. Blanchard to thank him for all the trouble he took in preparing such a helpful memorandum. Could you please therefore let me have a draft reply which the Prime Minister might send to Mr. Blanchard, to reach this office no later than 1630 hours on Monday 27 September?

I am sending copies of this letter, together with a copy of your letter to me and its attachments, to the Private Secretaries to the other members of E Committee and (without attachments) to the Attorney-General's Office and the Foreign and Commonwealth Office.

Yours sincerely,

Michael Scholam

Miss Marie Fahey,
Department of Employment.

CONFIDENTIAL



Caxton House Tothill Street London SW1H 9NA F

Telephone Direct Line 01-213.....6400.....

Switchboard 01-213 3000

Prime Minister (1)

This is the formal
reply from the ILO

(you saw a draft, in

with the same lines, earlier)

with comments from D/Emp

Content to let matters

rest, as suggested below?

10 September 1982

MUS 13/9

Michael Scholar Esq
(Home Affairs)
Private Secretary
Prime Minister's Office
10 Downing Street
LONDON
SW1

Dear Michael

ILO CONVENTION NO 26 AND WAGES COUNCIL

During her recent visit to Geneva, the Prime Minister met M Francis Blanchard, the Director General of the International Labour Office (ILO) and, in conversation at the dinner table, asked him whether it would be his view that for the UK Government to exclude young people from the scope of wages councils would be in breach of ILO Convention No 26 on minimum wage-fixing machinery. M Blanchard promised to have a brief memorandum prepared setting out what is required by both this Convention and No 99 relating to agricultural workers and this is attached, together with a note by officials commenting on it. The substance of the note has been agreed by DE Solicitors who have consulted legal advisers in the attorney General's office and the FCO.

I have copied this to my opposite numbers in the Attorney General's office and the FCO, both of whom are aware of the matter, but not to my colleagues in the offices of other members of E Committee. If the Prime Minister agrees we could ask our Ambassador to thank Mr Blanchard on his behalf for the trouble he has taken in preparing a helpful memorandum.

Yours
Marie Fahey

MISS M C FAHEY
Private Secretary

Yes. I
I should
also like
to write
sub

6/OS 162/1982

ILO MEMORANDUM ON CONVENTION NO 26 AND WAGES COUNCILS: NOTE BY DE OFFICIALS

1 The memorandum by the ILO enclosed with M Blanchard's letter of 27 August to our Ambassador in Geneva is of some interest. Its main point is in paragraph 6 where, in relation to excluding altogether young workers from the ambit of minimum wage fixing machinery, it says that:-

- (a) this point "has not so far come under the comments of the Committee of Experts on the Application of Conventions and Recommendations"; and
- (b) the relevant provisions of Convention No 26 "do not envisage such possibility".

This stops short of saying explicitly that such exclusion would be a breach of the Convention but it is identical with the Attorney General's opinion "I do not consider that the wording is apt to enable complete exclusion, irrespective of the trade or part of a trade, of young persons" (see his letter of 24 February 1982 to the Secretary of State for Employment, copied to other members of E Committee).

2 In our view, the ILO memorandum casts no doubt on the Attorney General's conclusion that such an exclusion could not be made "without attracting a complaint of breach of the Convention and a likely adverse report".

3 It is of interest that the ILO memorandum appears to take a more restrictive view than the Attorney General of Convention No 99 (which refers to minimum wage fixing in agriculture). Para 8 of the memorandum says that the scope of exclusions permitted under Convention No 99 "would not countenance the total exclusion of young workers", while the Attorney General in order to illustrate his point as to the scope of Convention No 26, implies that it could. The Attorney General, of course, was not giving advice on the provisions of Convention No 99, and was merely drawing attention to the fact that this provision was worded differently from, and more helpfully than, the corresponding one in Convention No 26. We propose to draw the attention of MAFF to the ILO view on this.

CONFIDENTIAL

4 It is clear from the memorandum that the ILO would like to dissuade us from denouncing Convention No 26 in 1985. This is why they append a list of the 95 countries which have ratified it, and why they mention a number of policy arguments (none of which raise anything new that has not already been discussed in E Committee).

Overseas Branch A
Department of Employment
September 1982

80

Minimum wage fixing for young persons in the United Kingdom and relevant ILO Conventions

1. The main ILO Conventions on Minimum Wages include: Convention No. 26: Minimum Wage Fixing Machinery, 1928; Convention No. 99: Minimum Wage Fixing Machinery (Agriculture), 1951; and Convention No. 131: Minimum Wage Fixing Convention, 1970.

2. The United Kingdom has ratified the two earlier instruments: Convention No. 26 in 1929 and Convention No. 99 in 1953. Their application in that country has not given rise to any problem drawing comments from the ILO Committee of Experts on the Application of Conventions and Recommendations, except in recent years concerning home workers covered by Convention No. 26, following information supplied in the Government's reports in 1975 on certain difficulties of observance of minimum rates for those workers.

3. A question currently being raised in some circles of the United Kingdom is whether under relevant Conventions, young workers may be excluded from minimum wage coverage; the concern being that rates fixed by wage councils may be curbing their employment opportunities. The question appears to come mainly under Convention No. 26 which deals with minimum wage fixing in industry and commerce.

4. The requirements of Convention No. 26 for the "application of minimum wage fixing machinery" (i.e. the actual fixing of wages for workers) rest on two objective criteria, as stated in its Article 1: (i) inexistence of arrangements for the effective regulation of wages for workers in the trades or parts of trades concerned by collective agreement or otherwise (e.g. by conciliation and arbitration machinery, such as the Statutory Joint Industrial Councils in the United Kingdom); and (ii) exceptionally low wages.

5. On the basis of these two criteria, the Member State is free to decide which trades shall be regulated by minimum wage machinery, after consultation with the organisations, if any, of workers and employers in the trades concerned (article 3 of the Convention).

6. The question of excluding altogether any particular category of workers, such as young workers, employed in the trades regulated by minimum wage fixing machinery, has not so far come under the comments of the Committee of Experts on the Application of Conventions and Recommendations. The relevant provisions of Convention No. 26 as recalled above, do not envisage such possibility. In this connection, article 3, paragraph 3, of the Convention further provides that minimum rates which are fixed may not be subject to abatement by the employers and workers concerned, by

individual agreement, nor, except with authorisation of the competent authority, by collective agreement.

7. The general practice of countries in this respect is to include young workers in the minimum wage system. Most countries, however, including Western European countries having ratified Convention No. 26, such as France, the Netherlands and the United Kingdom, fix lower rates for young workers (persons under 18 years in general, in France and the United Kingdom; under 23 years in the Netherlands), a practice entirely compatible with Convention No. 26 - and also Conventions Nos. 99 and 131.

8. Under the terms of the two latter Conventions, certain categories of persons (article 1 (3) of Convention No. 99) or groups of wage earners (article 1 (3) of Convention No. 131) may be excluded from their application. However, the scope of such exclusions, as specified by the conditions attached thereto by Convention No. 99 (persons whose conditions of employment render provisions of the Convention inapplicable to them, such as members of the farmer's family employed by him) and as implied by the comprehensive scope of Convention No. 131, would not countenance the total exclusion of young workers.

9. Almost all countries in the world now operate minimum wage systems, and none to our knowledge, excludes young workers. The latter are entitled to such protection as any workers, and even more so because they are more vulnerable to possible exploitation due to their inexperience and perhaps because of their very desire to earn a living by finding a first job.

10. Within the purview of relevant ILO Conventions, it is however possible to find ways and means to alleviate problems sometimes ascribed to minimum wage fixing. If minimum rates fixed for young workers by wage councils are considered too high, there is nothing in the Conventions that would prevent lower rates being fixed. The relevant ILO Conventions do not lay down any specific level of minimum wages. Although the more recent Convention No. 131 refers to elements to be taken into consideration in determining this level, these include needs of workers and their families but also economic factors including that of employment. Also abatements for economic reasons (e.g. for undertakings in financial trouble or for depressed areas) have been accepted by the ILO supervisory bodies under relevant ILO Conventions. In a number of countries, the final decision on minimum wages is taken by the government, which may or may not accept recommendations or proposals by the minimum wage machinery. Of course, it is also possible in regard to certain trades, to suspend or abolish wage councils, if wages are considered not to be exceptionally low; such decision being subject to consultation of the workers' and employers' organisations concerned.

11. Irrespective of obligations under ILO Conventions, the exclusion of young workers from the minimum wage system in order to promote employment poses a few questions. It is not at all clear how many new jobs would be created if the wages of young workers were allowed to fall. The research carried out in the United States by the Study Commission on Minimum Wages¹ suggests that this number may not be large. Moreover, even to the extent that employment of young workers may be developed by lifting the obstacle of minimum wage rates, would that be or not at the expense of the adult unemployed?

Annexes: Lists of ratifications of
Conventions Nos. 26, 99 and 131.

¹ See Report of the Minimum Wage Study Commission, Washington, GP.O 1981, 7 Vol., 82A545.

CONVENTION NO: 26, MINIMUM WAGE-FIXING MACHINERY CONVENTION, 1928
 DATE OF ENTRY INTO FORCE: 14/06/30

ANGOLA	04/06/76
ARGENTINA	14/03/50
AUSTRALIA	09/03/31
AUSTRIA	15/03/74
BAHAMAS	25/05/76
BARBADOS	08/05/67
BELGIUM	11/08/37
BENIN	12/12/60
BOLIVIA	19/07/54
BRAZIL	25/04/57
BULGARIA	04/06/35
BURMA	21/05/54
BURUNDI	11/03/63
CAMEROON, UNITED REPUBLIC OF	07/06/60
CANADA	25/04/35
CENTRAL AFRICAN REPUBLIC	27/10/60
CHAD	10/11/60
CHILE	31/05/33
CHINA	05/05/30
COLOMBIA	20/06/33
COMOROS	23/10/78
CONGO	10/11/60
COSTA RICA	16/03/72
CUBA	24/02/36
CZECHOSLOVAKIA	12/06/50
DJIBOUTI	03/08/78
DOMINICAN REPUBLIC	05/12/56
ECUADOR	06/07/54
EGYPT	10/05/60
FIJI	19/04/74
FRANCE	18/09/30
GABON	14/10/60
GERMANY, FEDERAL REPUBLIC OF	30/05/29
GHANA	02/07/59
GRENADA	09/07/79
GUATEMALA	04/05/61
GUINEA	21/01/59
GUINEA-BISSAU	21/02/77
GUYANA	08/06/66
HUNGARY	30/07/32
INDIA	10/01/55
IRAQ	26/11/62
IRELAND	03/06/30
ITALY	09/09/30
IVORY COAST	21/11/60
JAMAICA	08/07/63
JAPAN	29/04/71
KENYA	13/01/64
LEBANON	26/07/62
LESOTHO	31/10/66
LIBYAN ARAB JAMAHIRIYA	27/05/71
LUXEMBOURG	03/03/58
MADAGASCAR	01/11/60
MALAWI	22/03/65
MALI	22/09/60
MALTA	04/01/65

APR 15, 1982

CONVENTION NO: 26 , MINIMUM WAGE-FIXING MACHINERY CONVENTION, 1928

... (CONTINUED)

DATE OF ENTRY INTO FORCE: 14/06/30

MAURITANIA	20/06/61
MAURITIUS	02/12/69
MEXICO	12/05/34
MOROCCO	14/03/58
NETHERLANDS	10/11/36
NEW ZEALAND	29/03/38
NICARAGUA	12/04/34
NIGER	27/02/61
NIGERIA	16/06/61
NORWAY	07/07/33
PANAMA	19/06/70
PAPUA NEW GUINEA	01/05/76
PARAGUAY	24/06/64
PERU	04/04/62
PORTUGAL	10/11/59
RWANDA	18/09/62
SENEGAL	04/11/60
SEYCHELLES	06/02/78
SIERRA LECNE	15/06/61
SOUTH AFRICA	28/12/32
SPAIN	08/04/30
SRI LANKA	09/06/71
ST. LUCIA	14/05/80
SUDAN	18/06/57
SWAZILAND	26/04/78
SWITZERLAND	07/05/47
SYRIAN ARAB REPUBLIC	10/05/60
TANZANIA	19/11/62
TANZANIA (TANGANYIKA)	19/11/62
TANZANIA (ZANZIBAR)	22/06/64
TOGO	07/06/60
TUNISIA	15/05/57
TURKEY	29/01/75
UGANDA	04/06/63
UNITED KINGDOM	14/06/29
UPPER VOLTA	21/11/60
URUGUAY	06/06/33
VENEZUELA	20/11/44
VIET NAM	14/06/55
ZAIRE	20/09/60
ZAMBIA	02/12/64

APR 15, 1982

CONVENTION NO: 99 ,MINIMUM WAGE FIXING MACHINERY (AGRICULTURE) CONVENTION,
1951

DATE OF ENTRY INTO FORCE: 23/08/53

ALGERIA	19/10/62
AUSTRALIA	19/06/69
AUSTRIA	29/10/53
BELGIUM	17/10/68
BRAZIL	25/04/57
CAMEROON, UNITED REPUBLIC OF	25/05/70
CENTRAL AFRICAN REPUBLIC	05/06/64
COLOMBIA	04/03/69
COMOROS	23/10/78
COSTA RICA	02/06/60
CUBA	13/01/54
CZECHOSLOVAKIA	21/01/64
DJIBOUTI	03/08/78
FRANCE	29/03/54
GABON	13/06/61
GERMANY, FEDERAL REPUBLIC OF	25/02/54
GRENADA	09/07/79
GUATEMALA	04/08/61
GUINEA	12/12/66
HUNGARY	18/06/69
IRELAND	22/06/78
ITALY	05/05/71
IVORY COAST	05/05/61
KENYA	09/02/71
MALAWI	22/03/65
MALTA	28/11/69
MAURITIUS	02/12/69
MEXICO	23/08/52
MOROCCO	14/10/60
NETHERLANDS	11/06/54
NEW ZEALAND	01/07/52
PAPUA NEW GUINEA	01/05/76
PARAGUAY	24/06/64
PERU	01/02/60
PHILIPPINES	29/12/53
POLAND	05/07/77
SENEGAL	22/10/62
SEYCHELLES	06/02/78
SIERRA LEONE	13/06/61
SPAIN	04/06/70
SRI LANKA	05/04/54
SWAZILAND	05/06/81
SYRIAN ARAB REPUBLIC	10/08/65
TUNISIA	12/01/59
TURKEY	23/06/70
UNITED KINGDOM	09/06/53
URUGUAY	18/03/54
ZAMBIA	20/06/72

APR 15, 1982

CONVENTION NO: 131 ,MINIMUM WAGE FIXING CONVENTION, 1970
DATE OF ENTRY INTO FORCE: 29/04/72

AUSTRALIA	15/06/73
BOLIVIA	31/01/77
CAMEROON, UNITED REPUBLIC OF	06/07/73
COSTA RICA	08/06/79
CUBA	05/01/72
ECUADOR	02/12/70
EGYPT	12/05/76
FRANCE	28/12/72
IRAQ	16/05/74
JAPAN	29/04/71
KENYA	09/04/79
LEBANON	01/06/77
LIBYAN ARAB JAMAHIRIYA	27/05/71
MEXICO	18/04/73
NEPAL	19/09/74
NETHERLANDS	10/10/73
NICARAGUA	01/03/76
NIGER	24/04/80
ROMANIA	28/10/75
SPAIN	30/11/71
SRI LANKA	17/03/75
SWAZILAND	05/06/81
SYRIAN ARAB REPUBLIC	18/04/72
UPPER VOLTA	21/05/74
URUGUAY	02/06/77
YEMEN	29/07/76
ZAMBIA	20/06/72

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8. Under the terms of the two latter Conventions, certain categories of persons (article 1 (3) of Convention No. 99) or groups of wage earners (article 1 (3) of Convention No. 131) may be excluded from their application. However, the scope of such exclusions, as specified by the conditions attached thereto by Convention No. 99 (persons whose conditions of employment render provisions of the Convention inapplicable to them, such as members of the farmer's family employed by him) and as implied by the comprehensive scope of Convention No. 131, would not countenance the total exclusion of young workers.

9. Almost all countries in the world now operate minimum wage systems, and none to our knowledge, excludes young workers. The latter are entitled to such protection as any workers, and even more so because they are more vulnerable to possible exploitation due to their inexperience and perhaps because of their very desire to earn a living by finding a first job.

10. Within the purview of relevant ILO Conventions, it is however possible to find ways and means to alleviate problems sometimes ascribed to minimum wage fixing. If minimum rates fixed for young workers by wage councils are considered too high, there is nothing in the Conventions that would prevent lower rates being fixed. The relevant ILO Conventions do not lay down any specific level of minimum wages. Although the more recent Convention No. 131 refers to elements to be taken into consideration in determining this level, these include needs of workers and their families but also economic factors including that of employment. Also, abatements for economic reasons (e.g. for undertakings in financial trouble or for depressed areas) have been accepted by the ILO supervisory bodies under relevant ILO Conventions. In a number of countries, the final decision on minimum wages is taken by the government, which may or may not accept recommendations or proposals by the minimum wage machinery. Of course, it is also possible in regard to certain trades, to suspend or abolish wage councils, if wages are considered not to be exceptionally low; such decision being subject to consultation of the workers' and employers' organisations concerned.

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INTERNATIONAL LABOUR OFFICE
GENEVA

THE DIRECTOR-GENERAL

Mr Bates
for action as
discussed.
Pl. draft ack. trr.
31/8

27 August 1982

Dear Mr. Ambassador,

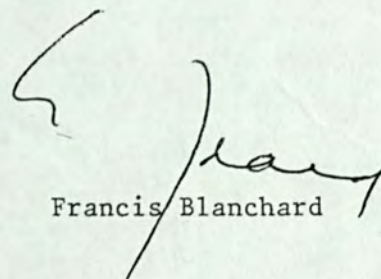
As you will no doubt recall, I had a brief discussion with Prime Minister Margaret Thatcher on the question of ILO Conventions on minimum wage-fixing during the dinner that you hosted in her honour on 11 August.

Mrs. Thatcher mentioned some of the difficulties being encountered in the employment of young persons in view of the minimum wage machinery. It was agreed that I would have a brief memorandum prepared to set out the requirements of the ILO Conventions on Minimum Wages as there was an impression in some circles that they were very restrictive.

I now have pleasure in enclosing the memorandum and hope that it will throw light on the requirements of ILO Conventions No. 26 and No. 99. I should be glad to supply any further information or explanations that the Government might wish.

With kind regards,

Yours sincerely,


Francis Blanchard

H.E. Mr. Peter Marshall, CMG,
Ambassador,
Permanent Mission of the United Kingdom,
37-39, rue de Vermont,
1211 GENEVA 20

Minimum wage fixing for young persons in the United Kingdom and relevant ILO Conventions

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9. Almost all countries in the world now operate minimum wage systems, and none to our knowledge, excludes young workers. The latter are entitled to such protection as any workers, and even more so because they are more vulnerable to possible exploitation due to their inexperience and perhaps because of their very desire to earn a living by finding a first job.

10. Within the purview of relevant ILO Conventions, it is however possible to find ways and means to alleviate problems sometimes ascribed to minimum wage fixing. If minimum rates fixed for young workers by wage councils are considered too high, there is nothing in the Conventions that would prevent lower rates being fixed. The relevant ILO Conventions do not lay down any specific level of minimum wages. Although the more recent Convention No. 131 refers to elements to be taken into consideration in determining this level, these include needs of workers and their families but also economic factors including that of employment. Also abatements for economic reasons (e.g. for undertakings in financial trouble or for depressed areas) have been accepted by the ILO supervisory bodies under relevant ILO Conventions. In a number of countries, the final decision on minimum wages is taken by the government, which may or may not accept recommendations or proposals by the minimum wage machinery. Of course, it is also possible in regard to certain trades, to suspend or abolish wage councils, if wages are considered not to be exceptionally low; such decision being subject to consultation of the workers' and employers' organisations concerned.

11. Irrespective of obligations under ILO Conventions, the exclusion of young workers from the minimum wage system in order to promote employment poses a few questions. It is not at all clear how many new jobs would be created if the wages of young workers were allowed to fall. The research carried out in the United States by the Study Commission on Minimum Wages¹ suggests that this number may not be large. Moreover, even to the extent that employment of young workers may be developed by lifting the obstacle of minimum wage rates, would that be or not at the expense of the adult unemployed?

Annexes: Lists of ratifications of
Conventions Nos. 26, 99 and 131.

¹ See Report of the Minimum Wage Study Commission, Washington, G.P.O 1981, 7 Vol., 82A545.

APR 15, 1982

CONVENTION NO: 26 ,MINIMUM WAGE-FIXING MACHINERY CONVENTION, 1928
DATE OF ENTRY INTO FORCE: 14/06/30

ANGOLA	04/06/76
ARGENTINA	14/03/50
AUSTRALIA	09/03/31
AUSTRIA	15/03/74
BAHAMAS	25/05/76
BARBADOS	08/05/67
BELGIUM	11/08/37
BENIN	12/12/60
BOLIVIA	19/07/54
BRAZIL	25/04/57
BULGARIA	04/06/35
BURMA	21/05/54
BURUNDI	11/03/63
CAMEROON, UNITED REPUBLIC OF	07/06/60
CANADA	25/04/35
CENTRAL AFRICAN REPUBLIC	27/10/60
CHAD	10/11/60
CHILE	31/05/33
CHINA	05/05/30
COLOMBIA	20/06/33
COMOROS	23/10/78
CONGO	10/11/60
COSTA RICA	16/03/72
CUBA	24/02/36
CZECHOSLOVAKIA	12/06/50
DJIBOUTI	03/08/78
DOMINICAN REPUBLIC	05/12/56
ECUADOR	06/07/54
EGYPT	10/05/60
FIJI	19/04/74
FRANCE	18/09/30
GABON	14/10/60
GERMANY, FEDERAL REPUBLIC OF	30/05/29
GHANA	02/07/59
GRENADA	09/07/79
GUATEMALA	04/05/61
GUINEA	21/01/59
GUINEA-BISSAU	21/02/77
GUYANA	08/06/66
HUNGARY	30/07/32
INDIA	10/01/55
IRAQ	26/11/62
IRELAND	03/06/30
ITALY	09/09/30
IVORY COAST	21/11/60
JAMAICA	08/07/63
JAPAN	29/04/71
KENYA	13/01/64
LEBANON	26/07/62
LESOTHO	31/10/66
LIBYAN ARAB JAMAHIRIYA	27/05/71
LUXEMBOURG	03/03/58
MADAGASCAR	01/11/60
MALAWI	22/03/65
MALI	22/09/60
MALTA	04/01/65

APR 15, 1982

CONVENTION NO: 26 , MINIMUM WAGE-FIXING MACHINERY CONVENTION, 1928

... (CONTINUED)

DATE OF ENTRY INTO FORCE: 14/06/30

MAURITANIA	20/06/61
MAURITIUS	02/12/69
MEXICO	12/05/34
MOROCCO	14/03/58
NETHERLANDS	10/11/36
NEW ZEALAND	29/03/38
NICARAGUA	12/04/34
NIGER	27/02/61
NIGERIA	16/06/61
NORWAY	07/07/33
PANAMA	19/06/70
PAPUA NEW GUINEA	01/05/76
PARAGUAY	24/06/64
PERU	04/04/62
PORTUGAL	10/11/59
RWANDA	18/09/62
SENEGAL	04/11/60
SEYCHELLES	06/02/78
SIERRA LECNE	15/06/61
SOUTH AFRICA	28/12/32
SPAIN	08/04/30
SRI LANKA	09/06/71
ST. LUCIA	14/05/80
SUDAN	18/06/57
SWAZILAND	26/04/78
SWITZERLAND	07/05/47
SYRIAN ARAB REPUBLIC	10/05/60
TANZANIA	19/11/62
TANZANIA (TANGANYIKA)	19/11/62
TANZANIA (ZANZIBAR)	22/06/64
TOGO	07/06/60
TUNISIA	15/05/57
TURKEY	29/01/75
UGANDA	04/06/63
UNITED KINGDOM	14/06/29
UPPER VOLTA	21/11/60
URUGUAY	06/06/33
VENEZUELA	20/11/44
VIET NAM	14/06/55
ZAIRE	20/09/60
ZAMBIA	02/12/64

APR 15, 1982

CONVENTION NO: 99 ,MINIMUM WAGE FIXING MACHINERY (AGRICULTURE) CONVENTION,
1951

DATE OF ENTRY INTO FORCE: 23/08/53

ALGERIA	19/10/62
AUSTRALIA	19/06/69
AUSTRIA	29/10/53
BELGIUM	17/10/68
BRAZIL	25/04/57
CAMEROON, UNITED REPUBLIC OF	25/05/70
CENTRAL AFRICAN REPUBLIC	09/06/64
COLOMBIA	04/03/69
COMOROS	23/10/78
COSTA RICA	02/06/60
CUBA	13/01/54
CZECHOSLOVAKIA	21/01/64
DJIBOUTI	03/08/78
FRANCE	29/03/54
GABON	13/06/61
GERMANY, FEDERAL REPUBLIC OF	25/02/54
GRENADA	09/07/79
GUATEMALA	04/08/61
GUINEA	12/12/66
HUNGARY	18/06/69
IRELAND	22/06/78
ITALY	05/05/71
IVORY COAST	05/05/61
KENYA	09/02/71
MALAWI	22/03/65
MALTA	28/11/69
MAURITIUS	02/12/69
MEXICO	23/08/52
MOROCCO	14/10/60
NETHERLANDS	11/06/54
NEW ZEALAND	01/07/52
PAPUA NEW GUINEA	01/05/76
PARAGUAY	24/06/64
PERU	01/02/60
PHILIPPINES	29/12/53
POLAND	05/07/77
SENEGAL	22/10/62
SEYCHELLES	06/02/78
SIERRA LECNE	13/06/61
SPAIN	04/06/70
SRI LANKA	05/04/54
SWAZILAND	05/06/81
SYRIAN ARAB REPUBLIC	10/08/65
TUNISIA	12/01/59
TURKEY	23/06/70
UNITED KINGDOM	09/06/53
URUGUAY	18/03/54
ZAMBIA	20/06/72

APR 15, 1982

CONVENTION NO: 131 ,MINIMUM WAGE FIXING CONVENTION, 1970
DATE OF ENTRY INTO FORCE: 29/04/72

AUSTRALIA	15/06/73
BOLIVIA	31/01/77
CAMEROON, UNITED REPUBLIC OF	06/07/73
COSTA RICA	08/06/79
CUBA	05/01/72
ECUADOR	02/12/70
EGYPT	12/05/76
FRANCE	28/12/72
IRAQ	16/05/74
JAPAN	29/04/71
KENYA	09/04/79
LEBANON	01/06/77
LIBYAN ARAB JAMAHIRIYA	27/05/71
MEXICO	18/04/73
NEPAL	19/09/74
NETHERLANDS	10/10/73
NICARAGUA	01/03/76
NIGER	24/04/80
ROMANIA	28/10/75
SPAIN	30/11/71
SRI LANKA	17/03/75
SWAZILAND	05/06/81
SYRIAN ARAB REPUBLIC	18/04/72
UPPER VOLTA	21/05/74
URUGUAY	02/06/77
YEMEN	29/07/76
ZAMBIA	20/06/72

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To join wages councils file
Attachment with fm.

Wm
3/8



United Kingdom Mission

37-39 rue de Vermont 1211 Geneva 20

Telex 22956

Telegrams Prodrome Geneva

Telephone 34 38 00 33 23 85

W F S Rickett Esq
Private Secretary
No 10 Downing Street
London SW1

Your reference

Our reference GUN 211/2

Date 27 August 1982

Dear Rickett,

MINIMUM WAGES FOR YOUNG PEOPLE

1. You telephoned on 26 August to enquire about the note which Francis Blanchard, Director-General of the ILO, promised to prepare for the Prime Minister on the evening of 11 August.

2. I enclose a minute by Nicholas Bates of 27 August, with an advance copy of Blanchard's note, of which we expect to receive the final version in the next few days. Bates has copied his minute and the enclosure to the Department of Employment and the Foreign and Commonwealth Office. When we receive the final version of the Blanchard note I propose to send it to John Garcia in the Department of Employment with a short covering note copied to the FCO, sending blind copies of both to you. I presume it is for the Department of Employment to submit the Blanchard note through you to the Prime Minister.

*Yours sincerely
Christopher Long*

C W Long

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letter on 27/8

cc Mrs G Tucker, UND, FCO) with copies
 JLL B Garcia Esq, International Dept,) of ILO
 OLA, FCO) note

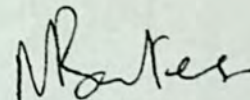
CONVENTION 26 AND WAGES COUNCILS

1. You asked me to chase up the ILO over the memorandum which Mr Blanchard promised to prepare for the Prime Minister. I have now been given an unofficial advance copy (attached). The official version will be sent to us on Monday 30 August with a covering letter from the Director General to HE. On past form, I would not expect there to be any changes in the final version of the document, but we cannot be 100 % sure till we see it.

2. I have the following comments:

- i. one can fix lower rates for young workers, a practice compatible with Convention 26 (paragraph 7); but
- ii. it remains unclear whether one can exclude young people completely from the minimum wage-fixing machinery, the Convention not having envisaged such a possibility (paragraph 6);
- iii. ratification of Convention 26 is widespread (95 countries) and the adoption of minimum wage systems almost universal (paragraph 9). I am sure many countries do not apply Conventions as strictly as we do. But I doubt if that could justify our taking a more casual attitude to them;
- iv. the last sentence of paragraph 10 lacks precision. What objective measure is there whether wages "are considered not be exceptionally low"?

3. We shall need a detailed analysis from our legal and labour experts as quickly as possible. For that reason I am copying this minute and the advance copy of the paper as indicated. Mrs Tucker may wish to show it to FCO Legal Advisers.



N H Bates

27 August 1982

Ind Pol
Wages Council

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10 DOWNING STREET

From the Private Secretary

25 August 1982

At the extremely good dinner you gave for the Prime Minister, she spent some time talking to Francis Blanchard, Director General of the ILO. She tells me that they discussed the question of our obligations under International Labour Convention 26, and that she said she understood these prevented our excluding from the wages council system such categories as young people, part-time workers, or small firms. Apparently, M. Blanchard said that in his view Convention 26 did not restrict our freedom of manoeuvre in this way, and offered to send her a note giving his reasons.

While the Prime Minister does not want to be seen to be chasing M. Blanchard. this is a subject of political importance, and I know she would welcome his advice before she leaves for the Far East on 16 September.

WR.

His Excellency Mr. P.H.R. Marshall, C.M.G.

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