

SECRETARY OF STATE FOR INDUSTRY

Ind Pol ✓ ce J.V.
COPY 10 OF 20 COPIES
Prime Minister (2) 16
The conclusions in para B

Withstanding a Dock Strike

23 are worth looking at.

Plus 29/10

At its meeting on 3 August 1982 the Ministerial Sub-Committee on Economic Affairs considered a report by officials on withstanding a dock strike (E(EA)(82)12th Meeting, Item 2). The Sub-Committee instructed officials to undertake further work relating to the impact of a national dock strike on the steel and chemical industries, the extent to which management, supervisors and volunteers might be able to keep port facilities in operation, the identification in advance of a strike of priority cargoes and the need, if any, for existing plans for Service assistance to be revised.

2. This further work has now been completed, and the outcome is summarised in the attached report from the Official Group on the Docks (MISC 78). The report raises no issues for Ministerial decision, and there therefore seems no need for Ministers to meet to discuss it. But if you or the other Ministers to whom copies of the report are being sent feel that a discussion would be useful, we shall naturally make the necessary arrangements.

3. I am sending a copy of this minute and of the attached report to the Private Secretaries to the Prime Minister, the Home Secretary, the Secretaries of State for Defence and Transport and the members of E(EA), and to Mr Sparrow and Sir Robert Armstrong.

PLG
P L GREGSON

29 October 1982

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WITHSTANDING A DOCK STRIKE

Note by the Official Group on the Docks (MISC 78)

INTRODUCTION

1. At its meeting on 3 August 1982 (E(EA)(82)12th Meeting, Item 2) the Ministerial Sub-Committee on Economic Affairs instructed officials:
 - a. to hold confidential discussions with the steel and chemical industries and the relevant port authorities about the impact of a national dock strike on those industries;
 - b. to prepare an assessment of which cargoes it would be most desirable to keep moving through the docks in the event of a national dock strike;
 - c. to hold confidential, detailed discussions with selected port authorities to ascertain the extent to which management and supervisors might be able to keep certain dock facilities in operation without outside assistance, and also the scope for using a small number of volunteers on selected, appropriate tasks; and
 - d. in the light of (a)-(c) and of the food supply position discussed in our previous report, to revise as necessary the plans for Service assistance.

This note reports the outcome of this further work.

The Steel Industry

2. The British Steel Corporation (BSC) depends upon imports of iron ore and coal in particular. At Port Talbot an official strike of the Transport and General Workers Union (TGWU) would halt unloading immediately. Elsewhere members of other unions are also involved in the unloading process, but it is uncertain whether and, if so, how much unloading would take place in the event of a strike by the TGWU. However, even if its port operations were to come to a complete standstill BSC would probably have stocks equivalent to 6-8 weeks production, and in addition consumers and stockholders generally have steel

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stocks equivalent to 12-13 weeks normal consumption of most products. Thus shortages of most steel products are unlikely to arise except in the case of a very protracted national docks dispute.

The Chemical Industry

3. The most vulnerable aspect of the chemical industry in the event of a national dock strike seems likely to be the export of general chemical products. Imperial Chemical Industries (ICI), which accounts for nearly one-third of the industry, thinks that the export of bulk liquids, which are not handled by registered dock workers, would probably continue uninterrupted, unless a dock strike were to spread to other key groups such as tugboatmen and pilots; but that other exports might be sufficiently disrupted for production to be interrupted within about a week of the start of a national dock strike. ICI thought that most of its imports would probably continue uninterrupted. If, however, this proved not to be the case and imports were blocked then ICI's production would be seriously disrupted within about 3 weeks.

4. The other companies consulted - British Petroleum and Shell - thought that they could probably continue production at normal levels for at least 3-4 weeks during a national dock strike.

5. Companies relying on imported chemicals as inputs would be in difficulty from early in a strike as there has been considerable destocking, and there is little scope in the short term for the domestic chemical industry to substitute for imports.

6. Overall the position is one of some uncertainty. Much would depend on which particular products were affected and on how much advance warning, if any, industry had of an impending strike. The likelihood is that production of chemicals would probably not be seriously constrained by lack of inputs for several weeks, but that it would be reduced within a week as a result of the inability to move exports; and companies relying on imported chemicals would be adversely affected early in a strike.

THE IDENTIFICATION OF PRIORITY CARGOES

7. Officials have considered carefully the scope for identifying in advance those cargoes whose continued movement during a dock strike would be particularly desirable, but have concluded that to do so would be impracticable. The

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Relationships between industries are now so complex and so poorly understood that it would be virtually impossible, without extensive consultation, to identify in detail how each sector of industry would be affected by a national dock strike, let alone to attach priorities to the imports required by different industrial sectors.

8. The Government's objective is clearly to ensure that as much as possible of the ports system is kept in operation. Insofar as traffic continues to flow without the need for Government intervention, the right approach would clearly be to leave it to industry itself to take maximum advantage of the available capacity; and for individual shippers to set their own priorities. If, however, the Government were to intervene directly by the use of Servicemen to attempt to keep certain facilities in operation (the scope for doing so and the wider implications are discussed in paragraphs 20-22), the Government would probably be expected to seek to ensure that those additional facilities were being most effectively utilised in the national interest. The Government would therefore have to determine priorities for this purpose. It would be for the Department of Transport, in consultation with the other Departments concerned, to consider requests for assistance and the priorities to be attached to them.

THE SCOPE FOR USING MANAGEMENT AND SUPERVISORS OR VOLUNTEERS

9. A number of major port employers (including Felixstowe) have been consulted about the scope for using supervisors, managers and volunteers to keep the ports in operation during a national strike. Their views were as follows:

Supervisors

10. Few, if any, supervisors would be prepared to do work which was not part of their normal duties. Many of them are former registered dock workers and would therefore be very reluctant to do anything which might be regarded as strike breaking; most belong to either the TGWU or to other trade unions affiliated to the Trades Union Congress, and their unions would almost certainly instruct them not to do the work of dockers.

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Managers

11. Junior managers, many of whom are members of trade unions and some whom are ex-dockers, would probably adopt a broadly similar attitude to the supervisors. Senior management might be more willing to help but the contribution that they could make would be very limited indeed.

12. Even if most supervisors and managers proved willing to co-operate, the contribution that they could make would be small since it is unlikely that they represent much more than 5 per cent of the total port workforce.

Volunteers

13. Formidable logistical problems would be involved in organising volunteers. In order to keep, say, 10 per cent of normal traffic flowing, several thousand volunteers might well be required. They would have to report for duty regularly, if the operation was not to be an embarrassing failure, and often at unsocial hours if a service sufficient to persuade shippers to use strike-bound ports was to be provided. They would face extensive and possibly violent picketing. It would be difficult to provide them with adequate training, since supervisors and junior managers would probably not co-operate. In these circumstances it must be doubtful that shippers would be prepared to allow volunteers to handle their cargo. Much port machinery is now complex and expensive and it would be easy for an inexperienced volunteer to cause extensive and expensive damage. Moreover, cargoes would take much longer to unload than normal, leading to direct financial costs which shippers might be unwilling or unable to bear.

14. Even if these difficult problems could be overcome, the wider implications of using volunteers would have to be weighed very carefully. These are discussed in paragraph 21 below.

15. Overall, therefore, port management think that with the exception of the two areas discussed below management and supervisors would make little if any contribution to the continued operation of the ports during a strike and that the use of volunteers would be impracticable and counter-productive.

16. The two areas where operations might in principle be continued through the efforts of management and volunteers are:-

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- a. roll-on/roll-off (Ro-Ro) operations; and
- b. grain terminals.

Ro-Ro Traffic

17. Overall about 55 per cent of road goods vehicles carried on Ro-Ro services between the UK and Europe are accompanied by their drivers. But the proportion depends on the length of the crossing. On the North Sea route to Scandinavia, Germany and the Low Countries the proportion is about 24 per cent, whereas on services across the Dover Straits the percentage rises to about 80 per cent. The other 45 per cent of Ro-Ro traffic consists of vehicle trailers which are not accompanied by their drivers and therefore normally have to be manoeuvred on and off ship by special tractors operated by dockers. In principle, management and volunteers qualified to drive heavy goods vehicles could do this, but in practice the best approach during a strike might be for port employers to insist that only accompanied vehicles are loaded onto ships; it would then be for industry to decide whether the cargoes which would normally travel unaccompanied were sufficiently important to be accompanied by a driver.

18. It is difficult to estimate what proportion of Ro-Ro traffic might succeed in getting through during a strike. At some ports dockers are responsible for mooring the ships and getting the unloading ramps into position. In principle this is a task which management and volunteers could do, but in practice at busy Ro-Ro ports such as Dover they would be most unlikely to succeed in keeping more than one berth open in the face of vigorous union support for the strike. Moreover, some drivers might be deterred by picketing, which would probably occur at the main Ro-Ro ports. On the other hand, there is a large and growing number of Ro-Ro terminals at the smaller ports around the East and South coasts, to which traffic normally destined for the main Ro-Ro ports could and probably would divert. Overall, there seems to be a reasonable chance that a significant proportion of normal Ro-Ro traffic would succeed in getting through, although serious delays could arise. It would seem a reasonable speculation that the available facilities would tend to be utilised by the most important cargoes, since relatively unimportant deliveries would tend to be deterred by the costs involved in delay and in diversion to other ports.

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Grain Terminals

19. The large grain handling facilities such as those at London and Liverpool are highly automated and could continue to be operated by management. But volunteers would be required to do the unskilled work of sweeping the grain in the ships. About 15 men per shift, for two shifts each day, would be required at London and Liverpool with smaller numbers required at the less-important facilities. However, since stocks of wheat outside the ports are always sufficient for at least 12 weeks normal consumption and are very much larger immediately after the harvest, there may be no urgent need for the grain terminals to be kept in operation.

MILITARY PLANS FOR THE USE OF SERVICEMEN

20. The existing military contingency plans provide for a number of general-purpose teams trained in the skills required for port operations and some specialist teams to deal with tug and lockgate operations. The objective of these plans is to maximise flexibility. In the light of our earlier comments about the severe difficulty of identifying priority cargoes in advance of a strike, officials think that a flexible approach is broadly correct and that the military contingency plans do not therefore require substantial revision. The Ministry of Defence and the Department of Transport will keep the plans under regular review to ensure that they could be put into operation quickly once a strike began.

THE CONSEQUENCES OF USING VOLUNTEERS OR SERVICEMEN

21. Overall, although some sectors of the economy would be severely affected by a national dock strike, deliveries of some particularly important cargoes, such as oil, seem likely to continue; food supplies would not be a problem, except possibly in the Islands; and a significant proportion of Ro-Ro traffic might succeed in getting through. Attempts to organise volunteers or the use of Servicemen could, however, put this situation at risk by provoking more widespread industrial action. In particular, key groups such as tugboatmen, mooring gangs and lockgate operators might well decide to participate in a national dock strike with potentially serious consequences. Tugs are required for berthing most large ships at all major ports except Dover. If tugboatmen were to strike, small ships might continue to operate, provided that the ship's master had a pilot's ticket for the port. But few medium and large ships would be able to berth, thus seriously disrupting supplies of oil and bulk chemicals. About half the major ports have most or

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all of their berths locked. If these were to be put out of action as a result of a strike by lockgate keepers, shipping movements would come to a standstill.

22. There is no prospect that management or volunteers could replace these key staff. The specialist Service teams might well succeed in providing a limited service to permit the unloading of particularly vital cargoes, but in the event of a national strike by tugboatmen and lockgate keepers, their contribution would be very limited.

CONCLUSIONS

23. Our conclusions may be summarised as follows:-

- a. Steel production could probably continue for at least 6-8 weeks and the stocks held by consumers and stockholders would be sufficient for a further 12-13 weeks.
- b. Production of chemicals would probably not be seriously constrained by a shortage of inputs for several weeks. However, inability to export would probably lead to a reduction in output within about a week. Companies relying on imported chemicals as their inputs would be affected early in a dock strike.
- c. Although a national dock strike would seriously affect some sectors of the economy, deliveries of some particularly important cargoes, such as oil and bulk chemicals, seem likely to continue; food would not be a problem, except possibly in the Islands; and there seems a reasonable chance of a significant proportion of normal Ro-Ro traffic getting through.
- d. It is impracticable to identify priority cargoes in advance. It would be best left to industry to decide how to take maximum advantage of those facilities which would remain in operation during a strike without Government assistance. If Servicemen were to be called on to provide additional port capacity, the Government might be expected to ensure that this was most effectively utilised in the national interest. It would be for the Department of Transport to take the lead in determining priorities for the use of any such extra capacity.

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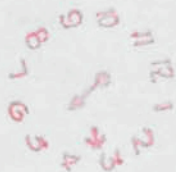
- e. It seems unlikely that management and supervisors would be willing or able to make much contribution to the continuation of port operations during a national strike; and the use of Servicemen or volunteers (which would raise formidable logistical problems) could well result in the strike spreading to key groups, who otherwise might be expected to continue to work normally, thus jeopardising the continued traffic described at c. above. If despite the risks Servicemen were to be deployed, the flexible basis on which the existing contingency plans have been drawn up seems the best approach.

Cabinet Office
29 October 1982

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