



Prime Minister.

MO 5/16

The "impasse" referred to in
paraph 2 was, I am afraid, news to
me.

A.S.C. 12/12.

MT

PRIME MINISTER

GIBRALTAR DOCKYARD

You will wish to be aware of the latest developments in our plans to close the naval dockyard in Gibraltar and proceed with commercialisation.

2. As you know there has been an impasse in Gibraltar for some months now. Although an agreement was made with the Government of Gibraltar in July, A&P Appledore, the prospective commercial managers, have been unable to enter the dockyard and physical preparations have not yet begun. A general election must take place in Gibraltar before mid March next year, at the latest and the dockyard closure will be the central issue. Joe Bossano, the leading TGWU official in Gibraltar, is also a member of the House of Assembly and is likely to fight the election on a platform of opposition to closure.

3. We have now reached the stage where work must begin on preparing the dockyard for closure if the timetable is to be maintained. However, this work is "blacked" by the TGWU, and if orders are issued for it to begin there is a strong possibility that the workforce will refuse to carry them out. Employees would then be suspended without pay and strike action could follow. Should essential services be affected Servicemen might have to be used to provide cover, and my department has contingency plans for this.

4. I have decided that we must now go ahead with the issue of orders for rundown work. The timing is determined by political factors, such as avoiding House of Assembly sessions and the onset of the Christmas



period, and operational reasons. The dockyard is presently empty for a short period between the departure of RFA BLACK ROVER and the arrival of RFA ENGADINE. The Governor of Gibraltar, the Chief Minister and the Flag Officer Gibraltar all agree that we should go ahead now, and I have today authorised the Flag Officer to talk to the unions on Tuesday 13th December with a view to work beginning the following day. _____

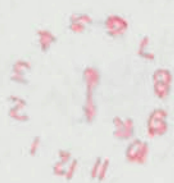
5. John Lee is attempting to see Mick Martin and Alec Kitson of the TGWU. Their role though significant is however unlikely to be crucial should a confrontation develop.

6. I am copying this to OD colleagues, the Secretary of State for Employment, and to Sir Robert Armstrong.

WJA
Ministry of Defence

12th December 1983

GIBRALTAR
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13 December, 1983

Gibraltar Dockyard

The Prime Minister has noted the contents of your Secretary of State's minute of 12 December.

A.S. COLES

Richard Mottram, Esq.,
Ministry of Defence

for



Chancellor of the Duchy of Lancaster

Prime Minister.

A.S.C. 9/12.

SECRETARY OF STATE FOR DEFENCE

GIBRALTAR DOCKYARD

I have seen your minute of 12 December to the Prime Minister.

I assume that RFA ENGADINE will not in fact put in to Gibraltar until these matters are resolved. It would be an unacceptable situation if she could be pinned down in Gibraltar by the Unions as a hostage.

I am sending copies of this minute to the other recipients of yours.

A C

13 December 1983



MO 5/16

Prime Minister

A. d. C. 19.
12

CHANCELLOR OF THE DUCHY OF LANCASTER

GIBRALTAR DOCKYARD

Thank you for your minute of 13th December.

2. The position now is that the instructions relating to the closure and commercialisation of the Dockyard have been given to the workforce. The unions have agreed to undertake the work, albeit on a "go slow" and "work to rule" basis. They have also said that the other work in the yard, specifically that on RFA ENGADINE will not be affected. On the strength of that assurance the Flag Officer has given the orders to start work on ENGADINE. This does not mean, of course, that there is absolutely no risk of the refit being disrupted. If it is, we will have to take whatever steps are necessary to safeguard operational interests.
3. Whereas it was undoubtedly right not to start the refit until we had got the unions' reaction to our latest moves, it would not have been feasible, given the assurances that have been received, to have delayed further the start of ENGADINE's refit, or to have removed it from Gibraltar. That would have been exploited to the full by the unions as a breach of faith and would have seriously upset the very delicate local political situation.
4. We shall be keeping a careful eye on the progress of ENGADINE's refit and will not allow it to become a hostage.
5. I am copying this minute to the recipients of yours.

Ministry of Defence

16th December 1983

Gibraltar
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P.L. 4

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