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PRIME MINISTER

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## PLA AND NATIONAL DOCK LABOUR SCHEME

You should be aware of the argument between the Departments of Transport and Employment and the Treasury on the National Dock Labour Scheme and the PLA. The latter is in trouble again. Transport believe that the NDLS lies at the heart of the PLA's difficulties and are suggesting that, before the difficulties with PLA reach crisis point, the Government should legislate to wind up the NDLS. Treasury and Employment are not convinced. They cite successful Scheme ports such as Southampton and Tees as evidence that many of the PLA's difficulties are of its own making. Though no-one is disputing that the NDLS is a nonsense which will have to be tackled eventually, Treasury and Employment question the political wisdom of a head-on clash with dockers at this time.

This issue will be taken at E(A) on Tuesday under the Chancellor's chairmanship. There is unlikely to be a decision and the most likely outcome will be more work by officials on ways of dealing with the PLA without abolishing the NDLS and without providing an open-ended subsidy. You do not need to read all the papers at present; you can get the flavour from the Chief Secretary's paper.

AT

16 March 1984

VCC NO



PRIME MINISTER

NATIONAL DOCK LABOUR SCHEME AND THE PORT OF LONDON AUTHORITY

In his minute of 13 March the Secretary of State for Transport refers to his paper which proposes, as a means of dealing with the problems of the Port of London Authority that we should announce an intention to abolish the Dock Labour Scheme.

As the Minister with responsibility for the Scheme I cannot support that proposal at the present time.

The Transport Secretary's paper, which has only just been circulated, does not reflect the views I and others put forward in the discussion to which he refers. I shall need, therefore, to circulate a paper of my own which I aim to do within the next few days.

I am sending copies of this to those who received Nick's minute.

T K

March 1984

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