

NB PM AT 17/3

MR TURNBULL

c Mr Redwood

THE PORT OF LONDON AUTHORITY AND THE NATIONAL DOCK LABOUR SCHEME

1. E(A) will consider the PLA tomorrow under the Chancellor's chairmanship. We understand from Treasury officials that the Chancellor and Chief Secretary will (i) oppose Nicholas Ridley's plan to announce abolition of the NDLS and (ii) resist further subsidies to the PLA. We support this line. But if, as is possible, Mr Ridley wishes to refer back to Cabinet in the very near future, you might like to bear in mind the following observations.

2. We wholly agree that the NDLS and Jones/Aldington agreement are an abomination. But Mr Ridley's proposals in E(A)(84) 15 are not the right way of tackling the problems of the PLA:

- (i) The proposals fall down on tactics. If we begin by announcing repeal of the NDLS and Jones/Aldington agreement, all we will do is to bring down an immediate deluge of problems in the 53 other Ports when the one we want to tackle is London. In any case, as Tom King points out, the PLA is likely to reach a crisis long before NDLS legislation can be put through.
- (ii) The strategy, whether for London in particular or the Ports in general is unclear. What is the future of the PLA to be? What if we cannot sell Tilbury to the private sector? Do the PLA's proposed conservancy functions need to remain in the public sector? What would be the fate of the other Scheme Ports, if the national dock strike took place? We need answers to these longer term questions before rushing to abolish the NDLS.

3. We recommend no new funding or special measures by Government, so that the problems of the PLA run their own course, up to and including bankruptcy. What we need in the meantime is a worked-out business plan for the PLA and a clearer idea of what we want to do with the Scheme Ports as businesses rather than as victims of the NDLS.

R.Y.

O.L.

ROBERT YOUNG

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