SECRET

PRIME MINISTER

DOCK DISPUTE

During the course of today's MISC 101 we were offered two competing interpretations of the dock dispute:

- (i) There is the view of Mr Ridley that it is largely political, using the NDLS as a pretext; that it will go on a long time; and that if it does the opportunity should be taken to announce the abolition of the NDLS.
- (ii) There is the view of Mr King that, while the timing may be political, the issue is one internal to the Docks Group of the T and G; that it should be handled as an industrial dispute and not allowed to coalesce with the mining dispute.

In my view Mr King is right. At this stage indications that the Government is digging in for a long fight could be counterproductive. The aim should be to settle this dispute as quickly as possible in order to allow the Government's fire to be concentrated on the NUM. ACAS should be strongly encouraged and the employers told very firmly that their ambitions about the NDLS will get them nowhere. I detect that the Department of Transport are taking the line of the dock employers – you will remember that they put a paper recommending the abolition of the NDLS to E(A) in March (if these papers leaked the effect could be extremely grave).

Until this difference of emphasis is sorted out the Government will not achieve a consistent presentation.

AT

16 July 1984