



PRIME MINISTER

So do I. It
has been a
powerful
deterrent to strike
action
not.

Prime Minister (2)

I hope arbitration does not
impose a weaker bonus system. The
leverage in the present system is
highly desirable.

AT 28/12

POST OFFICE INDUSTRIAL ACTION

This minute sets out the latest position on a dispute with the Union of Communications Workers (UCW) in the Shepherds Bush (W12 area).

The dispute at Shepherds Bush is over a decision by the Post Office to apply its national decision to cut costs through the elimination of night working. This led to disruptive action by the workers which became an official strike on 21 December. In view of the unofficial action, involving 61 men, the letter boxes in the W12 district have been sealed since 24 November.

The essential point at issue, however, is a campaign by the UCW to remove from the Post Office's National Productivity Agreement a condition which cancels any bonuses should there be industrial action by the workers in question. For example, if a worker strikes for even half a day, he loses that whole week's bonus. This has weakened the ability of the UCW to call out their members; the TUC day of action was, for example, not widely supported by postmen but half the workforce are covered



by productivity agreements which are locally negotiated within a national framework.

The Post Office Board met the UCW yesterday afternoon and agreed that this overall issue of the industrial action clause should be referred to ACAS for binding arbitration. They have, however, already agreed on consultation in individual cases on what constitutes a dispute and when bonus payments should be lost.

Negotiations took place last night and today on a return to work at Shepherds Bush. I have heard this evening from Mr Dearing that these were successful.

The Post Office were fearful before the discussions they had yesterday that breakdown of negotiations could lead to a London-wide or even national postal strike. This seems unlikely, in view of the positive outcome of negotiations.

I am copying this to Tom King.

A handwritten signature in dark ink, appearing to be the initials 'NT'.

N T

22 December 1983

Department of Trade & Industry

CONFIDENTIAL



REV

10 DOWNING STREET

From the Private Secretary

28 December 1983

Post Office Industrial Action

The Prime Minister was grateful for your Secretary of State's minute of 22 December, setting out the latest position on the UCW dispute in the W12 area.

The Prime Minister has commented that she hopes that arbitration on the industrial action clause will not result in a weaker bonus system. She considers that the leverage in the present system is highly desirable, and has proved a powerful deterrent to strike action.

I am sending a copy of this letter to Barnaby Shaw (Department of Employment).

MR. D. BARCLAY

Callum McCarthy, Esq.,
Department of Trade and Industry.

MR.

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