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10 DOWNING STREET

From the Private Secretary

1 April 1981

BF 8.4.81

The Prime Minister has seen Lord Gowrie's minute of 31 March about Tate & Lyle. This does not deal with one of the points raised in Monday's discussion: the Prime Minister would still like to know whether the union accepts the overwhelming majority view of the workforce, or whether it is disputing the figures as was suggested in the discussion.

M. A. PATTISON

D.R. Fraser, Esq.,
Department of Employment.

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Prime Minister
To see
CS 31/1



PRIME MINISTER

TATE & LYLE

When we discussed the problems of Merseyside yesterday, you asked me to look into the voting arrangements at the meeting where the Tate & Lyle workers accepted the closure of the Liverpool refinery and also the redundancy payments which the workers might receive.

I have talked to the Director in charge of the Merseyside closure. The latest position is that the 90 days redundancy notice (required by the Employment Protection Act 1975) expires on 21 April and wages will be paid up to that date. Production was stopped at the refinery about three weeks ago and the union has lifted its ban on the removal of finished products.

The negotiations with the union are covering redundancy payments and although an agreement has not been sealed the company believes that the end result will be a redundancy payment of about five times the size of the payment due under the state scheme. The scale of payments will be geared in favour of those with long service so that longer serving employees will get proportionately more.

So far as the voting arrangements were concerned, on 25 March the company met 4 national officers together with local district officers and shop stewards of the GMWU. It was agreed that, subject to the approval of the workforce, the Love Lane factory would close. On Friday 27 March, the shop stewards put this agreement to a mass meeting of the workers. An overwhelming majority agreed to the closure. On a show of hands, it was estimated that 1000 were in favour and 26 against.

The company is confident that a secret ballot has not been and is unlikely to be necessary; but it will of course consider the possibility if need arises.

I am copying this to Geoffrey Howe, Keith Joseph, Michael Heseltine, Norman Fowler, John Biffen, Robin Ibbs and Sir Robert Armstrong.

Does the Union accept
the overwhelming majority is 3/4
it disputing the figures - as we were told.
M
e/jg g.
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March 1981