

PRIME MINISTER

c. Mr Letwin

INDUSTRIAL RELATIONS LEGISLATION: NUM RULE BOOK

This meeting can be divided into three parts.

(i) NUM Rule Book

Mr Walker could be asked to report on the latest intelligence about the NUM vote. Mr MacGregor implied that if the Notts miners decided to take part there was a chance that the rule book would be defeated but that Notts may prefer to stay away and split off from the main union. NCB should be asked quickly for their advice on which outcome is preferable. I would have thought that if the rule book can be defeated by Notts taking part it would be better for this to happen. If Notts took part and the rule book went through the option of their leaving the union would still be available but they might regret it if the rule book went through in their absence by a narrow majority.

(ii) Model Rules

Flag A

As you requested, Mr King has prepared a set of model rules though he advises against pursuing this course. He prefers to continue the existing policy of identifying specific abuses and extending the network of statutory duties, rights, protections and remedies to counter them, rather than the Government attempting to specify at one go all aspects of the behaviour to which trade unions should conform. He argues that it is better to give individual union members weapons with which to fight abuses by their leaders rather than for the Government to be in the front line. Certainly the miners' strike showed the value of this approach. He also points out that if a union lost immunity on account of its rule book other sanctions based on the loss of immunity are rendered impotent. Oliver has suggested a compromise in which the Government sets model rules but gives ^{them} ~~it~~ the status of a code which would not have statutory force but to which the courts could refer in reaching their judgements.

Flag B

(iii) The Wider Programme of Industrial Relations Reform

Flag C

Mr King minuted you on 5 June to set out the wider programme of reform, including the Government's response to the Manifesto commitment on strikes in essential services. It would be helpful if, at some stage, whatever is decided on model rules were integrated with this wider initiative. You may want to expand the group to include the Home Secretary, the Chancellor, and the Secretaries of State for Social Services, Education and Science and Transport. Such a meeting could decide which of Mr King's ideas should be put out to consultation.

At present there is no slot in the 1985-86 programme for industrial relations legislation. In view of this there seems no reason to rush out a consultation document before the recess, even if it could be done. The alternative would be something when Parliament returns in November. This timetable would need be reconsidered if the NUM rule book was passed and an earlier response to counter its obnoxious features was desirable.

AT

26 June 1985