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 bcc Oliver Letwin  
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From the Private Secretary

27 June 1985

## NUM RULE BOOK: INDUSTRIAL RELATIONS REFORM

The Prime Minister held a meeting today to discuss the NUM rule book and the next steps in industrial relations. Present were the Secretaries of State for Energy, Trade and Industry and Employment and the Solicitor General. Mr. Letwin was also present.

The Secretary of State for Energy said it was still not clear whether the proposed new rule book would be adopted by the NUM. The decision could go either way or the issue could be deferred for further discussions. The outcome might depend on whether the Notts miners attended the meeting and whether they were allowed to vote freely. The NUM leadership would use all manner of procedural devices to secure its objectives. Summing up this part of the discussion, the Prime Minister said that if the rule book were adopted, the Government should immediately draw attention to the rights of union members which were being taken away. Subsequently, measures should be introduced to restore those rights.

The discussion then turned to the question of whether the Government should set out model rules to which union rule books should conform if immunities were to be retained. The Secretary of State for Employment had set out what such rules might look like in the annex to his minute of 21 June. In his minute, he had advised against following this course, preferring to continue the existing approach of identifying specific abuses and then extending the network of statutory duties, rights, protections and remedies to counter them. It was better to put weapons in the hands of individual union members than for the Government to specify all aspects of behaviour to which unions must conform. One drawback of the model rule approach was that if a union was deprived of immunity as a result of shortcomings in its rule book, no incentive would remain for it to comply with any existing requirement for which the sanction was loss of immunity. He had also considered whether model rules could be set out, not with statutory force, but as a code which might influence the courts in their decisions. The analogy with other codes was not exact however; these had been amplifications of statutory provisions. There was no precedent for a self-standing code. After a brief

Discussion it was agreed not to pursue the proposal for model rules.

In discussion, it was noted that the success of the Government's approach depended upon the willingness of individual trade union members to go to court to exercise the rights which they were being given. Many ordinary trade union members would be intimidated by the courts or by the expenses of litigation. Although legal aid was often available in principle, many union members would not qualify. One possibility would be to relax the conditions of legal aid, perhaps after requiring a statement from the Certification Officer that the individual had a prima facie case. There were precedents for state assistance in the field of industrial relations legislation, eg, help for postal ballots and compensation for dismissal in closed shop cases. There would be difficulties in distinguishing between trade union members who could receive legal aid and, for example, someone seeking damages over defective goods who could not. An alternative would be to encourage the establishment by private interests of a fund that trade union members might draw upon. They might be reluctant to do so if it were too overtly associated with employers. Summing up this part of the discussion, the Prime Minister said the Government's approach should continue to be to provide rights for trade union members but it was essential, at the same time, to make it easier for trade unionists to use those rights. The Secretaries of State for Employment and Trade and Industry and the Solicitor General should examine ways of achieving this.

Discussion then turned to the wider programme of industrial relations reform set out in the Secretary of State for Employment's minute of 5 June. One element of this was how to carry out the manifesto commitment to consult about ways of reducing strikes in essential services. The proposal had not been to ban strikes in essential services but to require that certain procedure agreements were observed if immunities were to be preserved. A number of public sector unions, some of which like those in the electricity industry were responsibly led, had expressed concern. It was essential to assure them that an outright ban on strikes was not being contemplated.

It was noted that even the introduction of mandatory postal ballots would not guarantee proper conduct of elections for officials and strikes. The creation of a statutory body had been suggested to oversee the conduct of elections though it might find it necessary to involve itself in all stages. Such a body would find it difficult to oversee elections beyond those for national officials. Strong reservations were expressed about the proposal for lay-off of workers made idle by a strike.

Summing up this part of the discussion the Prime Minister said a meeting of a wider group of Ministers would be convened to discuss the Secretary of State for Employment's minute of 5 June. The aim should be to produce a consultation document by the autumn of 1985 which would

Provide the basis for legislation in the 1986/87 session. The Government should, however, be in a position to respond earlier, if necessary, to any major abuse whether in the NUM rule book or elsewhere.

I am copying this letter to Geoff Dart (Department of Energy), John Mogg (Department of Trade and Industry) and Henry Steel (Law Officers Department).

(ANDREW TURNBULL)

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Department of Employment.