## PRIME MINISTER

I have had a report from Norman Fowler's office about the progress in today's discussions with the TUC affiliated NHS unions.

The talks have finished for today, and the TUC are going to report to ACAS at 10.00 am tomorrow, with a possibility that they will see the Secretary of State thereafter; after that they do not know what they are going to do.

The fact is, so I am told, that they are beaten, they know it, and they do not like it. They are going through every hoop - ACAS etc. - so as to show that they have left no stone unturned. The ½% has been deployed, on the basis that it can be offered if they will accept it and call off the strike. They talk endlessly about this, and are putting off the evil day - as they see it - when they will settle.

I am also told that the Royal College of Nurses has voted 3 to 1 against being affiliated to the TUC; and has also voted against the possibility of taking industrial action at any stage in any dispute.

pp Michael Scholar