

Steel : Mr. Prior's meeting with the Unions

The meeting went very much as expected. The unions asked the Government to set up the enquiry. Mr. Prior said that this was not for the Government, but for ACAS. Sirs then suggested that the Government and ACAS should jointly set up the enquiry. Again Mr. Prior declined; but he did say that he would be prepared to ask ACAS to set up the enquiry.

Sirs said the unions' sides would consider this, ~~formally~~, and come back. In the meantime, he said the strike would go on.

The Department of Employment's impression is that Sirs and Smith are becoming increasingly isolated: the other unions are quite prepared for the enquiry simply to be set up by ACAS. Sirs' and Smith's objections are now largely cosmetic: they are prepared to have ACAS involved, but because of their longstanding objections to ACAS, they want some Government involvement as well.

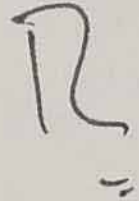
24 March 1980

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NOTE FOR THE RECORD

MEETING HELD AT 10.30 am ON 24 MARCH 1980 AT CAXTON HOUSE WITH THE STEEL UNIONS COORDINATING COMMITTEE

Present:	Secretary of State	Mr B Sirs (ISTC)
	Sir K Barnes	Mr R Evans (ISTC)
	Mr D B Smith	Mr H Smith (NUB)
	Mr M Wake	Mr N Ledley (NUB)
	Mr R Shepherd	Mr F Wilkinson (GMWU)
	Mr A Moorey	Mr T Crispin (TGWU)
	Mr R Dykes	Mr F Cotton (GMWU)
	Mr J Anderson	Mr E Linton (NCCC)
		Mr L Hancock (NCCC)



The Secretary of State welcomed Mr Sirs and his colleagues and invited Mr Sirs to speak.

Mr Sirs said that the unions had throughout the dispute endeavoured to reach a settlement with BSC through negotiations. They had on a number of occasions advanced proposals for a settlement, and had ultimately joined together in a united union team, although they usually negotiated separately. This had been welcomed by BSC.

The unions had again met BSC on 21 March and advised them that they unanimously rejected the latest offer. The unions had over a number of weeks given BSC the incentive to settle but BSC was determined not to improve its offer. The unions had therefore concluded that a negotiated settlement was not possible and had proposed a committee of inquiry. They had initially wanted its remit to cover an enquiry into BSC management as well as the pay dispute, but had since dropped their demand for an inquiry into BSC management, although they would continue to seek an opportunity for an inquiry of that kind. Both sides had now agreed to a committee of inquiry and to terms of reference. The unions hoped that the Secretary of State would appoint it. They were not asking for the Government to interfere directly or to provide more money for wages. They hoped that the inquiry would provide for an acceptable conclusion.

The Secretary of State welcomed the progress made by the parties in developing the means whereby the long and damaging dispute might be

quickly ended, and he hoped that the earliest possible return to work might now be agreed. The terms of reference, and the presence on the committee of inquiry of one union and one management nominee had been agreed. The only outstanding problem appeared to be the appointment of a chairman.

The Government had not intervened in the dispute and the unions had not asked it to. It was surely best to avoid Government intervention in any dispute or in any way. If the unions could not agree a chairman with BSC, ACAS was available to assist the parties and in any case could organise the administrative arrangement for the inquiry very quickly. It would be damaging to ACAS to in anyway undermine its position and it was critically important that ACAS should continue to maintain a wholly independent and trusted role in the resolution of disputes.

Mr D Smith added that ACAS had been established 5½ years ago with the full support of Government, Opposition, CBI and TUC because of the experience of Government involvement in disputes. ACAS had developed widespread acceptability and trust with both sides of industry, which could be eroded if the Government itself adopted ACAS's role.

Mr Sirs said that both the ISTC's and the NUB's previous experiences had led their union executives to be disinclined to approach ACAS. Even if BSC and the unions agreed on a chairman it would seem that they would have to resort to ACAS for the inquiry's secretariat.

Mr H Smith said that when the NUB used ACAS in 1975 it had taken 10-14 days to obtain BSC's agreement to a chairman of an inquiry. He feared that ACAS would not be strong enough to get BSC to compromise and agree on a chairman.

The Secretary of State and Mr D Smith made the following further points in support of ACAS involvement.

- 1) There were many important administrative matters to attend to in establishing a committee of inquiry. Experience had shown that it was very helpful to have an independent secretariat and the expertise to provide this now lay with ACAS.

2) Ministerial involvement in disputes could introduce a political dimension, make a difficult situation the more difficult to resolve, and undermine the responsibilities of management and unions.

3) ACAS had a panel of potential chairman from which the parties could choose and would be able to suggest some possible chairmen that the unions and BSC might not have thought of.

The Secretary of State stressed the importance he attached to supporting ACAS. He wanted to build for the future and did not propose to undermine ACAS by adopting a short-term expedient of establishing a Government committee of inquiry in this case. BSC and the unions should agree on a chairman or else seek ACAS assistance. He was not going to accede to the unions request that he establish a committee of inquiry.

Mr Sirs said that the steel unions had considered all of the options for third party intervention and had decided upon an approach to the Secretary of State. He had rejected this initiative and no further progress seemed possible at this meeting.

Mr Cotton thought that the difference between the Secretary of State and the unions might be bridged by a cosmetic exercise. The problem was that some steel unions' experience with ACAS had turned them away from an approach to that body. Could the Secretary of State not forward a list of names for the chairmanship to ACAS? The Secretary of State said that he did not have powers to direct ACAS. An approach of this sort would undermine ACAS and he was not prepared to take it.

Mr Ledley suggested that the Secretary of State could involve himself in the establishment of a committee of inquiry by asking ACAS to draw up a list of possible chairmen for the two sides to the dispute to consider? The Secretary of State indicated a willingness to consider this form of involvement but before the matter could be discussed further Mr Sirs said that he had not been consulted about this suggestion being put to the Secretary of State.

The steel unions then asked for a brief adjournment.

When the meeting reconvened Mr Sirs said that the unions had noted the Secretary of State's rejection of their request to intervene on the basis sought. They also noted that it was the Government's policy to refrain from intervention in such a way. The Secretary of State's refusal to intervene would cause delay.

The unions appreciated that the Secretary of State had tried to be helpful. They would put the Secretary of State's comments to their union executives for consideration, and would advise BSC of the position at their joint meeting later that day.

John Anderson.

J ANDERSON
24 March 1980

cc: P/S to Prime Minister
P/S to Secretary of State for Industry
Mr Taylor
Mr Norris
Mr Wye
Mr Shepherd
Mr D B Smith
Mr Wake
Mr Covington
Mr Moorey



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