LSC/79/62nd Mtg.

Steering SECRET

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## LEADER'S STEERING COMMITTEE

Minutes of the 62nd Meeting held at 5.00 p.m. on Monday, 22nd January 1979, in the Lander's Room at the House of Commons.

Present:

Mrs. Thatcher (in the Chair)

Mr. Whitelew, Sir Keith Joseph, Lord Carrington, Lord Thorneyeroft, Sir Ceoffrey Hove, Mr. Prior, Sir Ian Cilmour, Mr. Peyton, Mr. Ct. John Strvas, Mr. Maude.

Mr. Atkins.

In Attendance:

Mr. Jenkin, Mr. Heseltine, Mr. Mott, Mrs. Opponheim, Mr. Butler, Mr. Stanlev, Mr. Patten, Mr. Wolfson, Mr. Ridley, Mr. Micholson.

Apologies:

Mr. Pym.

## Business

Mrs. Thatcher reported that there had been 10 applications for emergency debates under S.O.9 that evening and the Speaker had agreed that there should be a debate at 7.00 p.m. on an issue raised by Mr. Shelton, relating to the increasing deprivation and hardship caused by the current industrial unrest. There was a short discussion and the following points were agreed:

- (i) our backbenchers should refer to the problems in their constituencies and Mr. Whitelaw would speak briefly at the end of the debate.
- (11) Me would vigorously reject any Government claim that it was our defeat of pay sanctions that had helped to bring about the present crisis with reference to various arguments, in particular to the fact that Government backbenchers had constantly pressed the case of those who were taking industrial action.
  - (111) We would vote on a 3-line whip.

There was also a short discussion on the subject for our Supply Day on Thursday, 25th January. It was agreed that we would change the subject; instead of debating the halving of the value of the pound as we had previously proposed, we would debate the effects of the current industrial situation on Britain's economic prospects, in particular the prospects for inflation. The debate would be on the adjournment and we would vote on a 3-line whip. Sir Geoffrey Howe and Mr. Nott would be our speakers and Mr. Atkins would inform the Lord President of our changed decision. In this debate we would emphasise that the Government's plans, as set out in the latest White Paper,

were based on an over-optimistic assessment of the prospects for the economy, even before the current rash of disputes. With the dislocation caused by those disputes and the inflationary settlements in the public sector likely to increase Government spending and borrowing, the targets set out in the White Paper were rendered even more conspicuously invalid.

## 2. The Local Authority Workers' Pay Claim

Mr. Heseltine reported on the latest developments in the discussions between the leaders of the local authorities and Mr. Shore and Mr. Booth. there was a discussion and it was agreed that we would view with concern the Government compelling the local authorities to agree: (a) to a series of staged increases which would create problems for an incoming Conservative Government; and (b) to a comparability study which would further increase costs in this area. Any such comparability study should consider not only comparative pay but such things as comparative job security, pension rights, holidays and manning.

## 3. The Current Crisis

There was a discussion and the following points were agreed:

- (i) We should continue to concentrate attention on questions relating to the balance of power in industry and the abuse of the law on picketing. We should avoid the debate being switched to the issues of pay and prices sanctions, which was what the Labour Party were clearly trying to do.
- (ii) We should criticise the apparent acceptance by the Government that pickets had the right to stop lorries and we should assert the right of those who wished to work or pass picket lines to do so.
- (iii) We should also reiterate the Conservative Party's offer to help the Government take the appropriate measures on picketing, secret ballots, the closed shop and no-strike agreements
- (iv) These points would be pursued at Prime Minister's Question Time during the week and in speeches.
- (v) We should otherwise attack the general encouragement given to militancy and to extravagant pay claims by the Labour Party over the years and in particular at the present time, and their discouragement of anyone who tried to stand firm against union militancy.
- (vi) It was important to keep open our contacts with some union leaders.
- (vii) When we came to revise the Manifesto draft it would be necessary to give greater emphasis to the problem of union power and our proposals for remedying that problem than we had in the draft the previous autumn.

The meeting closed at 6.20 p.m.