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Home Affairs

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10 DOWNING STREET

From the Private Secretary

26 September 1979

Dear Mr.

Inner London Magistrates' Clerks

The Prime Minister held a meeting at 0945 this morning to discuss the Inner London magistrates' clerks' dispute. The Home Secretary, the Lord President, the Lord Chancellor, the Secretaries of State for Industry and Employment, and the Chief Secretary were present.

The Home Secretary said that the situation in the London courts looked better than it actually was. Essential cases were being dealt with, but there was a growing backlog of other cases. The overall position was just manageable, though this was due to the excellent co-operation of the justices' clerks; but it was likely to deteriorate, and it was therefore very desirable that the current dispute with the clerks should be ended provided this could be achieved at a reasonable cost.

In trying to achieve a settlement, he recognised that it was essential that the Inner London clerks should, at the end of the day, be treated no better than the clerks outside London, and that there should be no undesirable repercussions on the current dispute with the Industrial Civil Servants. It should be possible, in his view, to improve the terms of the existing offer to the Inner London clerks without prejudicing these two objectives. In the first place, he proposed to be rather more forthcoming on the Working Party which it had been agreed should be set up to make recommendations on the third stage of the settlement: instead of simply reserving his position on the Working Party's recommendations, he would like to say that at the end of the day his determination would be such that the Inner London clerks would be no better and no worse off than the Outer London clerks. In addition, it would be worth considering increasing the first stage payment to 9.6% + £1 so as to bring the basic percentage into line with the Outer London clerks but he would not want to offer this extra small amount unless it were likely to win a settlement, or if it were likely to repercuss on to the Industrial Civil Servants' dispute. His own view was that these concessions would probably not bring a settlement, but they would be worth trying. If after having offered them, the London clerks still refused to settle, the Government's case would be seen to be a good deal stronger: the

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Issue was a very complex one, and at present it appeared to some that the Government was being unnecessarily intransigent.

In discussion, it was argued that it would be far better to push the Inner London clerks in the direction of the Outer London clerks' settlement, and also towards similar negotiating procedures. The union was pressing for a link with the Civil Service, but this would be highly undesirable - not least because it would go against the Government's objective of trying to decentralise public service pay negotiations. The Working Party could certainly make recommendations on future negotiating procedures and the question of linkage, but it would be helpful if the Home Secretary could make it clear that, as far as he was concerned, the Inner London clerks must move after this pay round on to a common negotiating basis with the Outer London clerks.

If the medium term objective was to put the Inner and Outer London clerks on to the same footing, there seemed no objection to the Home Secretary's proposed formula in relation to the Working Party. As for the suggestion that the Inner London clerks might be offered 9.6% for their first stage, Lord Soames said that a carry-over into the dispute with the Industrial Civil Servants must at all costs be avoided; he suggested that this might be done by the Home Secretary making it clear that the 9.6% was being offered specifically in order to put the Inner London clerks on to a par with the clerks outside London. In order to establish as close a link in this pay round to the Outer London clerks as possible, it might also be desirable to bring forward the second stage payment to October and also to apply claw-back to it. On this last point, the Home Secretary responded that, having already made a determination that the second stage should be in November, he could not now reverse this. Nor did he think that imposing claw-back would be credible: and in any case, the claw-back provision in the Outer London settlement was very unlikely to have any effect in practice.

Sir Keith Joseph asked what contingency plans the Home Office had prepared in case the dispute continued, and in particular whether it might not be possible to legislate on similar lines to the legislation which had been brought in to deal with the dispute in the Scottish courts earlier this year. The Lord Chancellor pointed out that the Scottish legislation could not be emulated to deal with the London courts situation since the system of justice in Scotland was quite different. The Lord Chancellor said that he was more worried about making up the backlog of work in the courts after a settlement, and he hoped the Home Secretary had plans for dealing with this. Mr. Whitelaw replied that the Home Office were indeed working on this, and he would let the Lord Chancellor have a paper shortly setting out their plans.

Summing up the discussion, the Prime Minister said that the Home Secretary should now be authorised to proceed on the following basis:

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(i) He should continue to reserve his position on the Working Party's recommendations, but he should say that at the end of the day the Inner London clerks would be no worse off than the Outer London clerks (and the calculation of the comparison would take into account the slightly different percentage increases in the first two stages and the different timing of these stages); he should also make it clear that, while the Working Party was welcome to make recommendations about future negotiating procedures, his own view was that these procedures would eventually have to be the same as those for the Outer London clerks.

(ii) The Home Secretary should allow the negotiators to offer 9.6% + £1 for the first stage if he felt this was likely to reach a settlement, but in doing so he should make it clear that this was intended to provide a direct link with the Outer London clerks.

(iii) The second stage payment should be 5% from 1 November without claw-back as before.

I am sending copies of this letter to Jim Buckley (Lord President's Office), Ian Maxwell (Lord Chancellor's Office), Andrew Duguid (Department of Industry), Ian Fair (Department of Employment), Alistair Pirie (Chief Secretary's Office) and to Martin Vile (Cabinet Office).

Yours ever.

Tim Lamm.

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Home Office.