

Covering

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h B Trend

MR. NORBURY

Meeting of SH

I expect the following to attend the twice-postponed meeting, which has now been arranged for 10.30 a.m. on Friday 27th November -

Home Office	-	Mr. Waddell
FCO	-	Mr. Reddaway
	-	Mr. Tyrer
Department of Employment	-	Mr. Kerr
Security Service	-	Mr. Whyte
	-	Mr. Woodroffe

Sir Burke Trend may be aware that Dick Thistlethwaite has been sick, and is likely to retire. The DES will not be represented at the meeting, since the only item for discussion deals with industrial unrest, and DES themselves do not wish to raise any other subjects.

Functions of SH

Before going on to the formal agenda, Sir Burke Trend may like to mention the setting up of the new group under Sir Philip Allen following the Prime Minister's reaction to SH(70)2 (which the Committee is to discuss). The new group is concerned with all aspects of labour unrest in industry, of which subversion is only one. The SH Committee is specifically concerned with subversion in this country, and it oversees the subject generally, including subversion outside the industrial field (e.g. among students). There is some value in continuing this oversight by the SH Committee, provided that it does not duplicate the work of the new group. The Committee may not need to look at the industrial situation in such detail as previously, but *undertake* periodic review of major developments, e.g. the increasing militancy of labour, and major policy matters, such as the impact of the Government's proposals for Trade Union reform. Outside the industrial field, the SH Committee's activities can remain unchanged.

The industrial situation

SH(70)2, which was written early in October, was prepared by the Department of Employment and Productivity and the Security Service. Mr. Whyte and Mr. Kerr should be invited to comment, and to bring it up to date on major points.

The paper paints a gloomy picture of the pressures on Trade Union leaders to adopt a more militant policy, partly because of the challenge to their leadership and partly because of the Government's proposals on Trade Union reform. The paper suggests optimistically that most Union leaders recognise that the level of wage increases must come down during the next six months. Recent events, e.g. in the local authority dispute, indicate little recognition of any immediate need for restraint, and the settlement of that dispute can only encourage militancy and inflationary wage settlements. Even if Union leaders are disposed to greater moderation, their members are by no means equally amenable. The Committee may wish to consider the factors which might contribute to a more pliant attitude on the part of the Unions and their members and the extent to which the Government can play on these points.

Trade Union reform

... I attach a copy of SUBIND A9/70 which deals with the campaign against Trade Union reform and particularly the policy of the Communist Party of Great Britain. The TUC General Council is noticeably avoiding encouragement of industrial action, whereas the CPGB hopes to bring about a series of one-day strikes in selected industries. Their campaign was to be launched at a special conference on 14th November, at which it was hoped that Party influence would lead to substantial support for the first burst of industrial action on 8th December. Mr. Whyte and Mr. Kerr should be asked to report on the outcome of the Conference and the likely developments from it.

SUBIND A9/70 concludes that publicity is the communists' best friend and that the less said about the risk of a strike on 8th December, the less support it is likely to receive. Ministers may wish to have this advice, but it might be more appropriate to channel it through Sir Philip Allen's group than through the SH Committee.

The situation in particular industries

... The Committee may wish to give particular consideration to the mining industry, where the results of the ballot on the Coal Board's offer have still to be announced, and to the power industry, where the Unions have responded to the Electricity Council's offer by calling for industrial action short of striking from 7th December onwards (see SUBIND A12/70 attached). Other sources of trouble include the Post Office, where Lord Hall's departure has provided an unusual twist in industrial action, and the car industry, where the parity question is likely to reappear during next year.

Demonstrations

Although there are no papers on this subject on the agenda, Sir Burke Trend may like to ask Mr. Waddell whether the Home Office see any major risks arising over the next few months from political demonstrations, e.g. against the sale of arms to South Africa.

B. M. Day

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26th November 1970