



file

cc: D/Industry
Original L/G/K

35

CLF to see

10 DOWNING STREET

THE PRIME MINISTER

25 February 1980

Dear Mr. Stone,

Thank you for your letter of 9 February, enclosing one from Mr. Douglas Hughes, director of the Whitechapel Bell Foundry on the difficulties his company is facing as a result of the steel strike. I do, of course, know of this Company and its long and honourable history.

We are, of course, very conscious of the problems the strike is causing for firms such as this. It appears that Mr. Hughes' particular difficulty does not arise directly from the stoppage of steel production by the BSC, but rather from interference with the movement of steel from a private sector stockholder. I deplore such interference and it is precisely to deal with picketing activities of this kind that we have put forward the proposals embodied in the Employment Bill now before the House.

That said, we do very much want to see an end to the dispute between the BSC and its unions as soon as possible. I am deeply disappointed that previous attempts to find a solution broke down, and I sincerely hope that the present contacts will meet with greater success. ACAS are ready to give their assistance if this would help. But in view of the BSC's competitive weakness, it is vital that any settlement that is reached should be on terms the BSC can afford.

/As for your

As for your suggestion that I should bring the two sides together, I believe that this is better done by the services of ACAS who can conciliate or appoint a mediator or arbitrator if both sides agree.

As you know, I had meetings last month with both the principal union leaders and with the top management of the BSC to give both sides the opportunity to present their views to me.

Yours sincerely
Robert Thelton

The Rt. Hon. Peter Shore, MP.