CONFIDENTIAL

MR SCHOLAR

Mr Mount

Prime Minister 2

Please see, too, ne 12 April 1983

> Home secretary's late it letter (attached). MLS 14/4

FIRE SERVICE PENSIONS DISPUTE

The Home Office letter of 5 April, copied to you, alerted to the possibility of a firemen's dispute.

The firemen were awarded a pay increase of 7½% effective from 7 November last year. The announcement of such a substantial award was qualified by references to a likely increase in the firemen's pension contributions. It is proposed that this contribution should increase by four percentage points of gross income, from 6¾% to 10¾% - to slightly less than that of the policemen. The Home Secretary is due to consult the Joint Pensions Committee on 18 April and will announce his intentions on or soon after that date.

The Home Office advise that the Fire Brigade's Union is quite likely to call a one-day national stoppage, to be followed by further one-day stoppages in selected urban areas, called at 24 hours' notice. The Civil Contingencies Unit accepts the view that these stoppages would require a substantial deployment of Green Goddesses and troops (15,000) to provide adequate cover, due presumably to the unpredictable pattern of stoppages and the judgement that the fire officers could not cope by themselves. There is the possibility therefore that the firemen will succeed in causing maximum inconvenience at the least cost to themselves.

The Home Office is likely to come forward with a proposal to phase the 4% increase, over six months or perhaps over two years, rather than implement it on 1 May as was recently proposed. This of course carries with it the danger that the increases will run into, and influence the next pay settlement in November, at the very beginning of the public sector pay round. It would also mean that the exceptional award of last November will be offset by considerably less than was anticipated. Indeed, the firemen will already have had the benefit of their pay award for six months before any additional pension contribution is required from them.

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One suspects but cannot demonstrate that the consequences of the threatened action are being exaggerated: fire services are over provided and the firemen would respond if life was at risk. However, the Home Office believe that phasing the pensions contribution would avert any action. It is important, I think, that the Home Secretary should concede as little as possible on this and that colleagues should have an adequate opportunity to consider his proposals. I would suggest, therefore, that you contact his Private Office to register the Prime Minister's interest in what he proposes.

MCGCLAS OWEN

CONFIDENTIAL MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1 Telephone 01-930x7938 218 2111/3 MO 25/17/6 6th April 1983 Dear Colin, FIRE BRIGADES' UNION: PENSIONS DISPUTE My Secretary of State has seen your letter to Richard Mottram dated 5th April. As I informed your office on the telephone Mr Heseltine would be content for covert consultations to begin as soon as possible between Chief Executives, Chief Constables, Chief Fire Officers and District Commanders. I am sending copies of this letter to those who received copies of yours. yours ever (N H R EVANS) C J Walters Esq CONFIDENTIAL

lay of Manual Worker (house) Pt 3

From: THE PRIVATE SECRETARY

Prime Minister The Home fearchy proposes to authorize on 6 April emergency planning for five come HOME OFFICE
By the armed Forces in case the QUEEN ANNE'S GATE LONDON SWIH 9AT

CEN.O.

Fire higher Cluim goes on abile Sapril 1983 at the end of April.

A. J. C. 7

FIRE BRIGADES' UNION: PENSIONS DISPUTE

You may be aware that the Fire Brigades' Union is recalling its Conference on 26 April to consider a recommendation that, if a 4% increase in the firemen's pension contribution remains the Government intention, a series of one day strikes should begin before 1 May 1983.

We shall not know until the conference on 26 April whether the strike call will be endorsed. Even if it is, there will be doubts about the extent to which members in brigades will respond. There is also uncertainty about whether the threatened one day strikes will be national, or in selected brigades only. We must nevertheless consider the provision of emergency fire cover, in the form of Green Goddesses manned by the armed forces, even though we would not propose to deploy the vehicles to brigades until individual fire authorities make a request.

The Home Secretary will be making a final decision on whether the increase should be 4% between 18 and 26 April, but to be ready for industrial action sometime after the latter date a decision on the provision of emergency cover will have to be made fairly soon. In the past we have always considered it important that emergency planning between Chief Executives, Chief Constables, Chief Fire Officers and District Commanders should begin at the earliest possible date. Consequently the Home Secretary would like to issue authority for this action on 6 April, subject to the agreement of your Secretary of State. This action will, of course, be covert and every step possible will be taken to maintain confidentiality. While we have obtained assurances on this score from the Association of County Chief Executives we cannot, however, be certain that some word will not leak.

Once I have your confirmation that your Secretary of State agrees that the "four wise men" discussions should be authorised on 6 April our officials will co-ordinate the issue of the necessary notification with yours.

I am sending copies of this letter to David Edmonds (Environment), (and would be grateful to know that Mr. King is also content), and for information to Michael Scholar (No 10) and Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for Northern Ireland, the Secretary of State for Scotland and the Secretary of State for Employment and to Bill Moyes (Cabinet Office).

