4. The Chancellor of the Exchequer brought to the notice of the Cabinet the case of an employee in Portsmouth Dockyard who, during the moulders' strike of 1930, in consequence of orders received from his Union, had refused to handle "blackleg" work. On his retirement this man's record had been reported as very good, with the solitary exception of his attitude in the moulders' strike. But after the matter had been carefully considered by the Admiralty and the Treasury it had been found impossible to do otherwise than to make a reduction in his pension. Accordingly, two years had been deducted from his established service for purposes of reckoning his pension, with the result that it had been reduced by a sum of £s.8d. a week. The case had been taken up by the Amalgamated Engineering Union.

The First Lord of the Admiralty, while personally favourable to a remission of the penalty in this particular case, warned the Cabinet that, if granted, a precedent would be created which would almost certainly open the door to the review of other cases, probably affecting other Government Departments also, to an extent which he was unable to estimate. It was stated, however, that the man in question, though he had refused to handle "blackleg" work, had not gone on strike, and, in that event, it was suggested that it might be possible to differentiate this case.

The Cabinet agreed —

That in the particular case brought to their attention by the Chancellor of the Exchequer the penalty should be remitted, and should be retrospective, but that every possible precaution should be taken to avoid the adjustment in this particular case becoming a precedent of wider application.