

MR RICKETT

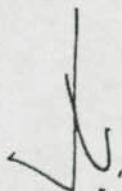
cc Mr Scholar ✓
Mr Ingham
Mr Mount

QUESTIONS: WATER WORKERS

Teddy Taylor's supplementary will give the Prime Minister the opportunity for a comment on the water workers' dispute. Indeed, I understand that Mr Taylor tried to get a PNQ on the water workers yesterday, so he may even mention them this afternoon.

The Department of the Environment want the Prime Minister to avoid commenting on the claim, the offer, or the desirable settlement. They think that any sign that Ministers are still intervening will upset the ACAS negotiations. I think that is naive: the unions know perfectly well that the NWC is in regular contact with Mr King. But I have agreed with the DoE that the Prime Minister could go as far as a generalisation about pay, linked to the falling RPI. So I suggest:

"I hope that the discussions which ACAS is having will lead the water workers to call off this strike. Inflation is still falling fast, and pay rises must come down at the same sort of rate."



20 January 1983



CHARTER CONSOLIDATED/ANDERSON STRATHCLYDE

LINE TO TAKE

In view of Anderson Strathclyde's successful application for judicial review of the decision announced on 21 December 1982, it would not be appropriate for me to comment.

BACKGROUND

The MMC Report on this merger was published on 21 December 1982 when Peter Rees, the Minister for Trade, announced that the Government would not prevent the merger. The decision was discussed in Parliament following a statement by Mr Rees on 22 December 1982. After this discussion, Mr Tom McNally wrote to the Prime Minister on 5 January making a number of points about the decision and the need for a further debate in Parliament. The Department of Trade is considering what advice to give to the Prime Minister on this letter in the light of Anderson Strathclyde's successful application for judicial review of the decision. It would be for Mr Speaker to decide whether a debate on the issues could properly be held while the matter is before the court.

MCS

PRIME MINISTER'S BRIEFING - 20 JANUARY 1983

MAJOR INDUSTRIAL DISPUTES

Water Services (E&W)(29,400 manual workers - GMBATU, NUPE, TGWU)

1. A ban on overtime, stand-by and call-out duties began on 18 January and the unions have called for an all-out strike commencing midnight Sunday, following their members rejection of the 4% pay offer made on 11th November.
2. Both sides are meeting ACAS *again today*, for the third day running, for separate talks, consequent upon a formal request by the employers' side that ACAS refer the dispute to arbitration under the terms of the industry's procedural agreement. Under the Employment Protection Act 1975 ACAS is unable to arrange arbitration without the consent of all parties to the dispute.
3. The dispute, although now associated with the pay deal to be negotiated from 7 December 1982, is essentially about a clause in the 1981 pay deal which provided, without commitment, that the employers would give careful consideration to union representations that water workers' pay should be higher in relation to the pay of workers generally. [The unions later quantified this informally as being in the upper quartile of published earnings figures.]