

MR SCHOLAR

cc Mr Ingham  
Mr Mount

WATER STRIKE

The Prime Minister may wish to have this note of where things have got to since her meeting this morning:

(i) The ACAS Formula. The formula circulated by Mr King this morning will, if all goes well this afternoon, appear in a letter from Pat Lowry to the employers and the unions. The separate letter Mr King mentioned that Lowry may send to the NWC will be private; and I understand that there may also be a separate and private letter to the unions. This seems an odd and risky process, which could well give rise to charges of bad faith if it gets out;

(ii) Chairman of the Inquiry. I understand that ACAS now know perfectly well that a serving Judge is not on, and will not pursue it. You have I think been given already a list of possible Chairmen suggested by the Department of Employment, led by Professor Tom Johnson (Vice-Chancellor of Herriot Watt University). The problem seen by others with Calcutt is that if he did end up arbitrating the Civil Service award, it would give the Civil Service unions too good an argument for the same sort of settlement;

(iii) Terms of Reference. I understand that the terms of reference agreed by Officials, which Mr King is being recommended to pass on to the NWC, are as follows:

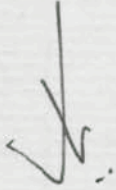
"To enquire into the matters currently in dispute between the two sides of the NJIC, and to make an award."

It is recognised that the last five words will not be acceptable to the unions, because they imply arbitration rather than an inquiry, and the NWC will be recommended to fall back on "and to report its findings", which is consistent with the



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ACAS formula. The key word in the draft is currently, which should rule out both the history of the dispute and (at least in theory) the upper quartile claim.

A handwritten signature, possibly "J. R.", in dark ink.

15 February 1983



Charles

W

Water

QUESTION 3

Robert Adley:

In welcoming the decision of both sides in the Water Dispute to agree to a Committee of Inquiry, and bearing in mind that both parties have agreed to accept its findings, does my RHF not agree that the right course now would be to call off the strike, since no purpose can now be served by continuing with it?

PROPOSED ANSWER

My Rt Hon Friend is quite right. This has been a damaging and unnecessary strike. I understand that both parties in the dispute have now agreed to accept the findings of a Committee of Inquiry. Given that agreement, there is plainly no point whatever in further prolonging the strike, and I hope that it will now be brought to an end.

15 February 1983



TEXT OF ACAS STATEMENT AT 2.00 AM ON 15 FEBRUARY  
FOLLOWING SEPARATE DISCUSSIONS WITH THE EMPLOYERS AND THE UNIONS

Lowry: "ACAS has received assurances from the Employers and the Trade Unions that both will accept the resolution of the dispute through the process of this Committee of Inquiry. It is not intended that any further substantive negotiations on matters in dispute will take place once the findings are known, although both sides agree that a full, final and special meeting of the NJIC will be required to translate the findings into a detailed, workable agreement for the industry. That meeting will be held under the Chairmanship of ACAS as soon as the Committee of Inquiry has completed its work and reported".



MR. VEREKER

*Thanks, but I don't really  
think I can help. Neither I nor  
the D/Em know enough of them to judge how  
they will perform. I suppose only academics have  
enough spare time to do it.*

cc: Mr. Ingham

Mr. Wolfson

Mr. Harrop, Second Permanent Secretary at the Department of the Environment, telephoned me to let me know the names that they were currently considering for Chairman of a committee or tribunal of inquiry on the water-workers' dispute. They are:

- 1) Professor Thomas Johnson, Vice-Chancellor, Heriot-Watt University.
- 2) Sir Charles Carter, Ex Vice-Chancellor, Lancaster University; Chairman, Research Committee, PSI.
- 3) Professor Laurence Hunter, Professor of Economics, Glasgow University
- 4) Professor Thomason, Professor of Industrial Relations, Cardiff University.
- 5) Sir J. Wordie, Barrister.
- 6) Professor Eric Armstrong, Professor of Industrial Relations, Manchester Business School.
- 7) Mr. Calcutt.

All these are names put forward by the Department of Employment, drawn from ACAS. Mr. Harrop said that they were also consulting with the Lord Chancellor about retired judges and the Attorney General about practising barristers.

This list seems to me to be heavily slanted towards academics; and I am enquiring about the track record, so far as it is known, of these people. I would be grateful for any observations about these people (or about people not on the list).

MLS

15 February 1983