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MR. NOTT'S STATEMENT ON BRITISH AIRWAYS

Mr. Nott's statement took the House by surprise. It was greeted with, as was to be expected, some vigorous complaints about its being made on a Friday and with vigorous opposition from Labour speakers. Mr. John Smith said that there was no mandate for this proposal which had not been in the Manifesto. There had been no consultation with the trade unions or the workers in advance of the announcement. Mr. Nott said that the principal purpose of the proposal was to give British Airways employees an opportunity to share in its future. He said that it was unfair to complain when he brought his proposals to the House first, and that he was prepared to enter into full consultations with the trade union representatives. He said that he saw no reason for a BP arrangement, but that the details of the balance between Government and other directors was a matter yet to be settled.

He emphasised that he wanted to make British Airways no longer subject to the vagaries of public expenditure constraints and to make them more secure for the future.

The statement was generally welcomed from the Government's side, and Mr. Nott did effective work in dealing with his critics. He mentioned the fact that £1 billion of public expenditure would come out of the Government's balance sheet and emphasised the importance of the proposals for Rolls Royce.

Mr. Clinton Davis said that the reason for the unseemly haste in making the announcement was that Mr. Nott wanted to have something to take to the Party Conference, and that the Board of Directors ought to have trade union membership. Mr. Nott said that Mr. Clinton Davis had had plenty of opportunity to bring that about while he had been Aviation Minister.

There is no doubt that the Opposition will press their objections to the proposal, but Mr. Nott's performance was an impressive one today.

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