

SUBJECT

SECRET



MfJ
Local Govt

10 DOWNING STREET

From the Private Secretary

3 February 1983

Dear David,

Water Workers' Dispute

The Prime Minister held a meeting at 0830 this morning to discuss the water workers' strike. Besides your Secretary of State and Mr. Shaw, there were present the Home Secretary, the Secretaries of State for Defence, Employment, Scotland and Wales, Mr. Harrop, Mr. Gregson, Mr. Goodall and Bernard Ingham.

The following were the main points made in discussion:-

- i) the effects of the strike in England had not changed significantly over the previous 24 hours and no major deterioration appeared in prospect. Some 21-22,000 properties were now without piped water supplies and approximately 6 million people were being advised to boil drinking water as a precaution. In some areas sewage was receiving lower quality treatment than normal before being discharged into rivers and water courses, although this was not causing serious pollution or health hazards. The situation in Wales had improved substantially; by this evening it was expected that only some 5,000 properties would remain without piped water supplies. In Scotland the trades unions would be meeting probably tomorrow to consider whether to call for an all-out strike. The situation was very finely balanced. It seemed most likely that there would be a strike only in response to some major development in England and Wales, such as the deployment of Servicemen;
- ii) no further negotiations were immediately in prospect; the discussions yesterday between the trades unions and the Advisory, Conciliation and Arbitration Services (ACAS) had proved inconclusive. The trades unions appeared to be undecided about their next moves; the employers continued to emphasise their willingness to negotiate on the basis of paragraph 8 of the mediator's report. However, such a pause in the negotiations would probably benefit the employers, provided that they could succeed in getting over publicly that it was for the unions, not the employers, to make the next move.

SECRET

/iii)

- iii) although publicity for the employers' case had improved it continued to be very unsatisfactory. It was too often the case that no spokesman for the employers was immediately available to reply to effective public statements by the trades unions. This was partly because of defects in the employers' publicity arrangements, which the Secretary of State for the Environment was pressing them to rectify; and partly because the employers were still not receiving adequate coverage on radio and television news programmes, about which they ought now to protest at the highest level. The Secretary of State for the Environment planned to make a statement that day to the House of Commons in which he would seek to put the employers' position positively and would emphasise that it was unreasonable for the trades unions to refuse both to negotiate and to accept arbitration. Effective publicity over the weekend was vital; briefing was being circulated to Government backbenchers; and the Ministers most directly concerned should make themselves available for radio and television interviews;
- iv) some strikers were reported as having returned to work in the Portsmouth area. The employers had made clear to them that their position would be protected, despite the industry's closed shop agreement. However, the employers were most reluctant to make a major public statement on the closed shop agreement, since this could lead to the withdrawal of the emergency cover arrangements, which the employers believed were operating very satisfactorily despite statements to the contrary by the trade union leadership;
- v) it was unacceptable that those whose piped water supplies had been cut off for some time should not receive a rebate of their water rates. The payment of some form of rebate should therefore be examined urgently, although it was argued that doing so could create an awkward precedent;
- vi) it would be useful for the future if a record could be kept of the number of staff involved in maintaining supplies during the strike.

The Prime Minister, summing up the discussion, said that the effective presentation of the employers' case remained of vital importance. Provided that could be achieved - and the Government should offer the employers every assistance in this - the present pause in the negotiations would probably work to the employers' advantage. It would clearly not be helpful at this stage for there to be public discussion about the future of the industry's closed shop agreement. She would therefore deal with any questions on this topic by referring to arrangements being made locally to protect the jobs of strikers who returned to work. The Secretary of State for the Environment should consider further the payment of some form of rebate to those whose piped water supplies had been cut off for some time; and should also arrange for a record to be kept of the numbers of staff involved in maintaining supplies

SECRET

-3-

during the strike. Ministers would meet again at 0930 on Monday, 7 February, and the Civil Contingencies Unit would be meeting at Ministerial level on the following day.

I am sending copies of this letter to the Private Secretaries to those Ministers present at the meeting; to John Lyon (Northern Ireland Office); to Messrs. Harrop, Goodall and Gregson; and to Richard Hatfield (Cabinet Office). I should be grateful if they would ensure that it is given the minimum necessary circulation.

Yours sincerely,

Michael Scholar

David Edmonds Esq
Department of the Environment.

SECRET

SECRET

DRAFT LETTER FOR MR SCHOLAR TO SEND TO MR EDMONDS, DOE

Mr. S. L. Law
Membership Agreement
Goodall agreed
that 9 shd.
let you have this
direct. imlay
3/2

WATER WORKERS' DISPUTE

The Prime Minister held a meeting at 0830 this morning to discuss the water workers' strike. Besides your Secretary of State and Mr Shaw, there were present the Home Secretary the Secretaries of State for Defence, Employment, Scotland and Wales, Mr Harrop, Mr Gregson, Mr Goodall and Bernard Ingham.

2. The following were the main points made in discussion:-

- (i) the effects of the strike in England had not changed significantly over the previous 24 hours and no major deterioration appeared in prospect. Some 21-22000 properties were now without piped water supplies and approximately 6 million people were being advised to boil drinking water as a precaution. ~~Water quality was deteriorating slightly and~~ *lower quality* ~~in some areas sewage was receiving less treatment than would~~ *normal* ~~ideally be desirable~~ before being discharged into rivers and water courses, although this was not causing serious pollution ~~of~~ health hazards. The situation in Wales had improved substantially; by this evening it was expected that only some 5000 properties would remain without piped water supplies. In Scotland the trades unions would be meeting probably tomorrow to consider whether to call for an all-out strike. The situation was very finely balanced. It seemed most likely that there would be a strike only in response to some major development in England and Wales, such as the

1
SECRET

deployment of Servicemen;

- (ii) no further negotiations were immediately in prospect; the discussions yesterday between the trades unions and the Advisory, Conciliation and Arbitration Service (ACAS) had proved inconclusive. The trades unions appeared to be undecided about their next moves; the employers continued to emphasise their willingness to negotiate on the basis of paragraph 8 of the mediator's report. ^{However, such} a pause in the negotiations would probably benefit the employers, provided that they could succeed in getting over publicly that it was for the unions, not the employers, to make the next move;
- (iii) although publicity for the employers' case had improved it continued to be very unsatisfactory. It was too often the case that no spokesman for the employers was immediately available to reply to effective public statements by the trades unions. This was partly because of defects in the employers' publicity arrangements, which the Secretary of State for the Environment was pressing them to rectify; and partly because the employers were still not receiving adequate coverage on radio and television news programmes, about which they ought now to protest at the highest level. The Secretary of State for the Environment planned to make a statement that day to the House of Commons in which he would seek to put the employers' position positively and would emphasise that it was unreasonable for the trades unions to refuse both to negotiate and to accept arbitration. Effective publicity over the weekend was vital; briefing was being circulated to

SECRET

Government backbenchers; and the Ministers most directly concerned should make themselves available for radio and television interviews;

- (iv) some strikers were reported as having returned to work in the Portsmouth area. The employers had made clear to them that their position would be protected, despite the industry's closed shop agreement. However, the employers were most reluctant to make a major public statement on the closed shop agreement, since this could lead to the withdrawal of the emergency cover arrangements, which the employers believed were operating very satisfactorily despite statements to the contrary by the trade union leadership;
- (v) it was unacceptable that those whose piped water supplies had been cut off for some time should not receive a rebate of their water rates. The payment of ^{some form of} ~~rebate~~ ^{rebate} should therefore be examined urgently, ^{argued} ~~although it was recognised that doing so could create an awkward precedent;~~
- (vi) it ^{would} ~~might~~ be useful ^{for} ~~in~~ the future if a record could be kept of the number of staff involved in maintaining supplies during the strike.

3. The Prime Minister, summing up the discussion, said that the effective presentation of the employers' case remained of vital importance. Provided that could be achieved - and the Government should offer the employers every assistance in this - the present pause in the negotiations would probably work to the employers' advantage.

SECRET

SECRET

It would clearly not be helpful at this stage for there to be public discussion about the future of the industry's closed shop agreement. She would therefore deal with any questions on this topic by referring to arrangements being made locally to protect the jobs of strikers who return^{ed} to work. The Secretary of State for the Environment should consider further the payment of some form of rebate to those whose piped water supplies had been cut off for some time; and should also arrange for a record to be kept of the numbers of staff involved in maintaining supplies during the strike. Ministers would meet again at 9.30 am on Monday, 7 February, and the Civil Contingencies Unit would be meeting at Ministerial level on the following day.

4. I am sending copies of this letter to the private secretaries to those Ministers present at the meeting; to John Lyon (Northern Ireland Office); to Messrs. Harrop, Goodall and Gregson; and to Richard Hatfield (Cabinet Office). I should be grateful if they would ensure that it is given the minimum necessary circulation.

SECRET