

POLICY UNIT
30 September 1983MR TURNBULLPOEU ACTION AGAINST MERCURY

The Government has no need to become directly involved in this dispute. Nevertheless, as the establishment of Mercury as a competitor to BT is an essential plank in our policy for the liberalisation of telecommunications, we should, if challenged, express strong disapproval of the POEU's tactics. We should also take every opportunity to explain publicly how our telecommunications policy will benefit both the consumer and the employee in the industry.

The POEU is not in a strong position and there is every chance that the rank and file will become further distanced from the executive. We should privately back Sir Michael Edwardes' intention to issue an injunction against the unions, if this should become necessary. The Government should also not yield any points to BT during the drafting of the BT licence, even though Sir George Jefferson may use the POEU disposition to industrial action to win concessions.

At odds
with Mr
Gregson's
advice

D.P.

DAVID PASCALL