

GRS 190

UNCLASSIFIED

FM BONN 201000Z JUN 84

TO PRIORITY FCO

TELEGRAM NUMBER 612 OF 20 JUNE

INFO PRIORITY UKDEL OECD UKREP BRUSSELS

INFO SAVING ATHENS EMBASSY BRUSSELS COPENHAGEN DUBLIN PARIS
LUXEMBOURG ROME THE HAGUE VIENNA WASHINGTON TOKYO UKMIS GENEVA
UKDEL NATO MOSCOW EAST BERLIN BMG BERLIN CG'S IN FRG

MY TELNO 592 OF 15 JUNE: THE FRG AND THE 35-HOUR WEEK

SUMMARY

1. ARBITRATION IN THE METALWORKING DISPUTE BEGINS TODAY BUT THE STRIKE IS LIKELY TO CONTINUE UNTIL MID-JULY.

DETAIL

2. OVER THE WEEKEND THE UNION ACCEPTED THE EMPLOYERS' OFFER TO SET UP A SPECIAL ARBITRATION COMMISSION. IT STARTS WORK TODAY. IT CONSISTS OF THREE EMPLOYER AND THREE UNION MEMBERS UNDER THE CHAIRMANSHIP OF THE UNION-NOMINATED GEORG LEBER, AN EX-MINISTER AND EX-CHAIRMAN OF THE CONSTRUCTION UNION. THE EMPLOYERS' NOMINEE PROFESSOR BERND RUETHERS WILL BE JOINT CHAIRMAN BUT WILL NOT HAVE A VOTE. SINCE THE COMMISSION IS REQUIRED TO PRODUCE A UNANIMOUS REPORT THIS MAKES LITTLE PRACTICAL DIFFERENCE.

3. THE COMMISSION HAS EIGHT WORKING DAYS IN WHICH TO REPORT, IE UNTIL FRIDAY, 29 JUNE. THERE ARE THEN A MAXIMUM OF SIX WORKING DAYS FOR THE TWO SIDES TO CONSIDER AND POSSIBLY AMEND THE PROPOSALS BEFORE PUTTING THEM TO THEIR MEMBERS. THE UNION MUST THEN BALLOT ITS MEMBERS IN THE STUTTGART AND FRANKFURT REGIONS. A 75 PERCENT VOTE IN FAVOUR WILL BE NEEDED TO END THE STRIKE. ON PREVIOUS OCCASIONS IT HAS TAKEN A WEEK TO ORGANISE THE BALLOT.

4. FAILING AN UNEXPECTED BREAKTHROUGH THE STRIKE COULD THUS RUN ON TO MID-JULY.

FCO PLEASE ADVANCE TO JOLLY, DEPT OF EMPLOYMENT
PLEASE PASS SAVINGS EXCEPT BMG, EAST BERLIN, AND CG'S IN THE FRG

(REPEATED AS REQUESTED)

ADVANCED AS REQUESTED

TAYLOR

FRAME ECONOMIC
ECD(1)

COPIES TO
MR JOLLY
DEPT OF EMPLOYMENT