

MEMORANDUM FOR THE CABINET  
BY THE HONOURABLE A/PRIME MINISTER

General Workers' Union claim for a 6% increase  
and a 40 hour week

The Cabinet decision of the 4th January, 1969, concerning the General workers Union claim for a 6% increase was communicated to the Services representatives at a meeting of the Joint Consultative Body (the Official Side of the Joint Industrial Council) at a meeting held on the 10th instant.

2. Their immediate reaction was that they could not subscribe to any wage negotiation in the Joint Industrial Council on the lines proposed by the Government side. They felt that as the cost-of-living index did not justify even a 2% increase no offer should be made at this stage. They stressed that if the Government representatives put forward their proposals in the Council, the U.K. Government side would be placed in an awkward position and they would have no option but to withdraw from the Joint Industrial Council. The Council had in fact outlived its purpose and there was no reason why it should continue to function now that Malta was independent. The Joint Consultative Body or something similar could however be retained as a forum for discussion between the U.K. Government Departments and the Malta Government and both sides would be in a much stronger position if they could deal with the Union separately.

3. In view of this development it will not be possible for the Government to negotiate the proposed offer in the Council and we are therefore left with two alternatives either to endorse in the Council the stand taken by the Services or else to negotiate directly with the Union outside the Council. The first course will lead to trouble with the Union in view of the problem of the validity of the index whilst the second course will actually imply the dissolution of the Joint Industrial Council.

4. As for the claim for a shorter working week, the Services representatives indicated that they had carried out a good employer exercise which narrowly showed that a reduction could be justified. They were therefore prepared to offer a reduction of the working week to 43 hours with the following provisos:-

- (a) Increased productivity to counter-balance the reduced working hours;
- (b) no variation in the planned pace of the Services rundown; and
- (c) acceptance that the revised working hours would, by departmental discussion, be agreed in such a way as to achieve the foregoing with the minimum additional

expenditure by way of overtime etc.

They would not however concede any phased reductions but would undertake to review the position in (say) twelve months time.

5. Concerning the claim for a 40 hour week, the Cabinet had decided on the 18th July, 1968, that the Union should be informed that any disturbance of the time/pay relation of any class of employees at this stage is bound to conflict with the Government policy of non-interference in the terms and conditions of work of Government employees before the findings of the Salaries Anomalies Commission were known.

6. The stand of the U.K. Government Departments concerning this latter claim weakens the Government's stand and it will be difficult for Government to maintain its line on the length of the working week. On the other hand the General Workers Union argue that once Government has agreed to reduce the working hours of Watchmen the reason given for the rejection of the claim is no longer valid. This is not agreed to for the reasons given in the annexed extract from Memo No. 1137.

7. Honourable Ministers are asked to state whether in view of the attitude of the U.K. Government Departments these claims should now be negotiated separately with the General Workers Union. Ministers will realise that a decision in this sense would imply the dissolution of the Joint Industrial Council.

13th January, 1968.

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Watchmen's Working Week

7. The same objection which applies to the two claims mentioned in the preceding paragraph, viz. the disturbance of the time/pay relationship, applies to the watchmen's claim as well. However, in view of the fact that watchmen are being made to suffer a social injustice by keeping them conditioned to a 72-hour working week, it is considered appropriate that this case should be given special consideration, even perhaps at the expense of some protests from other quarters. In this connection, it may be argued that Government has come to the conclusion that, in principle, the solution of this problem lies in the reduction of the working week from 72 hours to 48 hours together with a corresponding pay reduction which would maintain the same time/pay relativity. Unfortunately this solution cannot be applied in full because watchmen are already on the minimum wage scale, below which Government can not go. This obstacle should not, however, prevent the watchmen from being accorded more justifiable working conditions.

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