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Prime Minister

To note

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RAILWAY PRODUCTIVITY

You will wish to have my latest appraisal, following my minute to you of 23 December.

ASLEF continue to deny the principle, which they accepted in August, of negotiating an agreement on variable rostering. The Railways Board are therefore not currently implementing, for footplate staff, the move to the 39-hour week originally agreed in 1980, and are not putting into payment, for footplate staff, the three per cent wage increase from 3 August that was agreed last August. It remains very difficult indeed to see how the matter is to be resolved, and we must expect that the two-day strike called by the union for 13 and 14 January will take place with consequential effects on train services in the following days. Meanwhile, there will be some further deterioration of services from the union's current ban on overtime and rest-day working.

ASLEF will no doubt secure some expressions of support from other unions, but I do not expect them to win any general sympathy or active co-operation. Indeed they must be under pressure from other unions to honour their commitments, made in front of ACAS.

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If the two day strike takes place next week, the most pronounced impact will be on those who commute into London by British Rail. I shall keep closely in touch with the Metropolitan Police over arrangements for alleviating the traffic problems, and will be ready at that stage to explain these measures to the travelling public. If the dispute continues to drag on with damaging effects on rail services, we shall need to consider what more should be done to make clear the Government's position. But for the present I am sure the right course is to leave it to the Railways Board to make their case to the public.

I am sending copies of this to the other members of 'E' Committee and to Sir Robert Armstrong.

JA.

DAVID HOWELL
5 January 1982

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PRIME MINISTER cc. Mr. Ingham Mr. Scholar Mr. Vereker ASLEF Dispute Mr. Howell will be sending round a note about the current position late this evening or early tomorrow. His office tell us that there was an informal meeting between BR Board representatives and an ASLEF delegation at lunchtime today. We understand that Sir Peter Parker suggested that the productivity point should be tackled at an urgent meeting of the relevent industry negotiating committee, to be convened for this purpose alone. It seems that Ray Buckton was ready to go along with this, but was told by ASLEF's (Communist) President that ASLEF should not accept the proposal. ASLEF having turned down this offer, there was no alternative proposal before the meeting. The meeting therefore broke up in acrimony. Sir Peter Parker has apparently told Mr. Howell that he has never seen a union so entrenched as ASLEF on this occasion. Mr. Howell is speculating that, with the ASLEF strike scheduled to coincide with the final stages of the NUM ballot, there may be some factors involved beyond ASLEF's narrow and immediate interests. 4 January 1982

ASLEF

Department of Transport tell me that the talks are still in progress. They have had a very brief telephone report from the Chief Conciliation Officer. He says that the talks are likely to continue into the evening, and that it is not his intention to make any comment to the media tonight. It seems likely that further meetings involving the other rail unions will be set up for the weekend.

The implication, therefore, is that the process of discussion will continue over several days. If really pressed tonight, ACAS will merely refer to exploratory talks. If we have to make any deductions from what is happening, we would be mildly positive, because nobody seems to be in a mood to break contact.

We will try to get an update before your briefing tomorrow morning.

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Mhas seen ASLEF We now have the first reports from the meeting of the National Executive of ASLEF. They have ordered a two-day strike by their members on Wednesday and Thursday, 13 and 14 January. They have also called for a total ban on overtime and restday working from next Monday. The Department of Transport estimate that the overtime ban will have little effect except in the Southern Region. There it will mean a reduction of one third in British Rail's services. ACAS are now likely to invite all the parties concerned to talks. The Department see no need for any action on the Government's part at this stage. They continue to see the top priority to be to isolate ASLEF. W Rickett 29.12.81

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