

CONFIDENTIAL

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CC AD
JV

Prime Minister

HLS

Prime Minister

ASLEF DISPUTE

Further to this morning's Cabinet meeting, I am glad to say that British Rail have now agreed with NUR that their members who are footplatemen will receive the three per cent.

The Board have made it clear that they have no quarrel with the NUR. They would prefer not to distinguish between men in the same grade. There will be some administrative problems about putting the extra money into payment. They hope that the need to make separate payments can in the event be avoided by an ASLEF return to work. But if not, the NUR members will be paid.

So far as some NUR members may claim that this is implementation of the pay agreement without strings, British Rail will explain that the question of strings does not arise because NUR have met their obligations under the productivity agreement to date.

I am sending copies of this to the other members of the Cabinet, to the Chief Whip and to Sir Robert Armstrong.

DAVID HOWELL
14 January 1982

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