



Prime Minister

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DEPARTMENT OF TRANSPORT  
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19 February 1982

Dear Private Secretary

ASLEF DISPUTE

My Secretary of State thought that his colleagues might find it helpful to have the attached guidance notes on the ASLEF dispute.

In any comments on the present position, Mr Howell suggests that his colleagues should continue to follow the line which the Prime Minister has already taken in public:

- viz i. the matters in dispute will not be resolved for several weeks - no-one has won so far;
- ii. the major issue is productivity - which the railway industry must secure if it is to win traffic and justify investment;
- iii. so a defeat for the Board would be a defeat for the railways and for railway jobs;
- iv. outdated labour practices and demands for more pay with nothing in return cannot be the basis for progress on the railways any more than in the rest of industry. That is the reality which cannot be dodged and on which the Government's policy is squarely based.

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

Yours sincerely

C R EDWARDS  
Private Secretary

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# THE ASLEF DISPUTE

## GUIDANCE NOTES FOR MINISTERS

### The Government Policy for the Railways

1. The Government wants to see an efficient, cost-effective, well-invested railway.
2. The Government has:-
  - a. put more money into the railways, by raising the external finance provision in each of the last 2 years, and by putting up the Exchequer grant for passenger services in 1981 to £755m - by far the highest ever in real terms;
  - b. ruled out any substantial cuts in the passenger network;
  - c. endorsed the principle of a programme of main line electrification, based on better business performance and improved productivity;
  - d. avoided any reduction in the ceiling on investment in BR.
3. Ministers have repeatedly emphasised that more money can be found for investment by reducing current costs and increasing efficiency
4. As recently as 22 December, the Secretary of State for Transport approved plans for electrifying the services to Ipswich, Norwich and Harwich.

### The Government's Attitude to this Dispute

5. The Prime Minister and the Secretary of State for Transport condemned the ASLEF strike as callous, and doomed to cause pointless damage to the nation as a whole and the railway industry in particular.

## What the Dispute was about

6. ASLEF refused to honour their commitment to complete negotiations on 'variable rostering' - working shifts shorter or longer than the fixed eight hours, but all within a 39-hour week total - by 31 October 1981. As a consequence the British Railways Board suspended, for footplate staff (drivers and their mates), their commitment to pay a further 3% from the beginning of January 1982 backdated to the beginning of August 1981. (The history of the dispute is given in Annex A.)

7. ASLEF began industrial action, with strikes on 13 and 14 January. ACAS set up their inquiry into the dispute on 2 February, inviting Lord McCarthy to chair a committee of inquiry. ASLEF refused to attend the inquiry as BR had not paid the 3%.

## McCarthy Report

8. Lord McCarthy reported on Tuesday 16 February. His recommendations can be summarised as follows:-

i. ASLEF was to confirm its continued commitment to understandings of August 1981 - "negotiations shall take place to establish variations to the rostering agreements with a view to introducing some flexibility around the 8-hour day ..."

ii. A timetable was laid down for early and rapid negotiations within the established machinery on flexible rostering. If there was no agreement in the RSJC, the issue would be brought back to RSNT in mid-March.

iii. As soon as this procedure was agreed, ASLEF was to call off industrial action.

iv. At the same time the Board was to implement the additional 3% on pay.

v. The application of the shorter working week agreement was to wait on the outcome of the dispute on flexible rostering.

9. This was a disappointing outcome for BRB. In effect, Lord McCarthy recommended that the Board should pay ASLEF members the additional 3% without any guarantee that they would secure the productivity improvements in the final negotiations.

10. Once the NUR and TSSA had accepted the McCarthy report, it was difficult for BR to reject it outright. They were aware, however, that acceptance outright would be represented by ASLEF and the Press as a total capitulation. The Board, therefore, went back to ACAS to seek clarification of the extent of ASLEF's commitment to negotiations on flexible rostering, and in particular whether ASLEF were prepared to see some movement around the 8-hour day.

11. When ASLEF were prepared to sign a document confirming their commitment to enter into negotiations on productivity, and accepting that "no matter is in principle ruled out of discussion" and that there should be no "limitation on the issues that can be examined in negotiation", the Board decided that they had gained sufficient clarification of the ASLEF position to be able to accept the McCarthy report. In their view, the agreement signed by all parties, and by Len Murray for the TUC, would make it difficult for ASLEF to maintain their earlier position that there can be no movement at all from the 8-hour day.

12. Sir Peter Parker said in his statement of 18 February:-

"I am now confident we shall not be paying something for nothing. The long talks at ACAS have been worthwhile. It is now clear that everyone accepts that no issue is ruled out of the negotiations. There is no misunderstanding that the negotiations include the vital issue of varying the eight-hour day. This is the clarification which the Board sought after reading the inquiry report. The negotiations will now be about the right issue, how to implement flexible rostering. That is right for the industry and right for our customers.

This statement has the full authority of the Chairman of ACAS, the General Secretary of the TUC and all partners to the negotiations and this augurs well for achieving progress on productivity within the firm time-scale set by the inquiry.

I am particularly pleased that Len Murray has associated himself with this statement."

13. The Secretary of State for Transport issued the following statement at the same time to support Sir Peter Parker's position on productivity:-

"I am, of course, glad that ASLEF's ruinous strike action has now been called off. The vital aim for the future of the railways is higher productivity, and I wholeheartedly support both Sir Peter Parker and all those whose commitment is to that goal. The focus is now rightly on achieving this higher productivity, and the negotiations must produce that result speedily as the agreed timetable requires."

#### Next Steps

14. The Board will now implement the recommendations on pay. The additional 3% backdated to August 1981 will be in ASLEF members' pay packets in 2-3 weeks time.

15. Negotiations will start immediately on flexible rostering. These will be through the normal negotiation machinery, but to an accelerated timetable so that, if no agreement can be reached - <sup>that must be doubtful</sup> and/in view of Mr Buckton's latest statements about the 8-hour day - the parties will go to the Railway Staff National Tribunal (chaired by Lord McCarthy) on 19 March at the latest.

16. Annex B gives further details of train drivers' pay and conditions, of the Board's proposals for flexible rostering, and the railway negotiating machinery.

THE HISTORY OF ASLEF DISPUTE

1. There was a unilateral reference by the Unions of their 1981 pay claims to the Railway Staff National Tribunal. The Tribunal's recommendation was not binding on the parties. The RSNT recommended an 8% increase from 20 April 1981 (the settlement date) and a further 3% from 1 August.

2. The British Railways Board offered:-

- a. to implement the 8% increase in rates of pay with effect from 20 April 1981;
- b. to apply a further increase of 3% in rates of pay from a date to be agreed provided there is evidence of a commitment to specified initiatives to increase productivity.

The Board's decision not to implement the further 3% from 1 August led to a breakdown in the negotiations and notice of an all-out strike by NUR and ASLEF to begin on 31 August 1981. At negotiations under the auspices of the Advisory Conciliation and Arbitration Service (ACAS), a settlement was reached under which:

- a. the unions, including ASLEF, undertook to 'endeavour to honour every aspect' of the undertaking reached on productivity which the Trade Unions had already given the Board in the form of six firm commitments with dates for completion of negotiations.
- b. the Board agreed to pay the additional 3% from January 1982 backdated to August 1981 'on the understanding that the commitments on productivity would be honoured'.

3. The specific commitment on rostering said:

"Negotiations shall take place to establish variations to the rostering agreements with a view to introducing some flexibility around the 8 hour day, but without producing unreasonable variation in the length of each working day."

This specific undertaking - among others - for changes which the Board see as vital to their plans for the future of the railways led the Board to agree to the payment of the extra 3%, as the record of the discussions shows.

4. ASLEF refused point blank to move from the fixed 8 hour day in subsequent negotiations.

5. The NUR have agreed to variable rostering based on a working day of between 7 and 9 hours for guards. NUR have made it clear they were prepared to accept a similar agreement for footplate staff who are members of the NUR.

6. The understanding on pay was implemented for all BR staff who are members of the NUR and TSSA. It was not implemented for members of ASLEF.



### 1. Drivers' Pay and Hours

The average weekly gross earnings of an ASLEF member is £140.

The job of driving trains is at present planned in turns of 8 hours. Under an agreement of 1919 a minimum payment of 8 hours is guaranteed. (This is what ASLEF mean when they say they do not want to move from the 8 hour day.) The 40 hour standard week is guaranteed for payment. It consists of 5 x 8 hour turns rostered between Monday and Saturday. Night and Saturday hours are paid at higher rates, as is all time worked on rest days and Sundays.

A driver's normal shift of 8 hours includes on average 4 hours a day driving loaded trains. On top of this, there is 1 hour allowed for signing on and off, reading instructions and traffic notices and checking the train is in working order. And a further  $\frac{1}{2}$  hour is added for the physical needs break. This makes a total of 5 $\frac{1}{2}$  hours productive time in an 8 hour turn.

The average daily mileage worked by drivers on all trains is between 50 and 60. The figure for freight trains is about 30.

### 2. The 39 Hour Week

In 1980, BR agreed to move to a 39 hour week in 1981. In the 1981 pay negotiations, this was deferred to January 1982. BR need new rostering arrangements to fit the 39 hour week.

### 3. Variable Rostering

The Railways Board want to plan driving work in turns of varying length, between 7 hours to 9 hours. This has been agreed for guards (members of the NUR).

For the Board this would provide more effective use of paid time by drivers, by allowing extra trips to be made on 9 hour days, and fewer unproductive hours on 7 hour days.

BR say that the new arrangements would also have advantages for drivers. The incidence of unsocial booking on and off time can be lessened. More individual days clear of duty could be rostered.

The arrangements proposed by BR for ASLEF are operated successfully and are normal practice on most European national railway systems. Indeed in a number of countries, the variations in hours per shift are in many cases greater than that proposed by British Rail.

#### 4. The Negotiating Structure

The negotiation machinery in British Rail works at local, regional and national level. At national level the Railway Staff Joing Council (RSJC) is divided into 4 sections. One for salaried staff; one for locomotive; one for traffic and one for general issues covering all staff. The discussions on variable shifts for locomotive staff have been taking place in the RSJC (Loco). The top negotiating national body is the Rail Staff National Council (RSNC) which considers major issues as to standard conditions of service referred from RSJC.

Major issues on which the RSNC cannot reach agreement may be referred by any party for decision by the Railway Staff National Tribunal (RSNT). Decisions of the RSNT are only binding if both parties give prior indication that this is their joint intention.

#### 5. Trade Union Members

National Union of Railwaymen - Total membership on British Rail is between 120,000 and 130,000. Bulk of membership comprised of signalmen, guards, ticket collectors, permanent way staff, but has about 1,600 footplatemen.

Transport Salaried Staff Association - Total membership on BR about 50,000. Caters solely for salaried staff in transport and travel.

Associated Society of Locomotive Engineers and Firemen - Total membership on BR something over 20,000. Drivers, secondmen and trainees.