

CONFIDENTIAL

Prime Minister

Transport

(2)

X seems to me very important.

PRIME MINISTER

1 totally agree with this minute. Please tell MOT. mb

cc Mr Ingham Mr Hoskyns MS 15/3

BR/ASLEF Dispute

After your meeting this afternoon on coal stocks and the railways I drew your attention to the significance of the changed assessment made by the Department of Transport over the rate at which new rosters would be introduced by BR for ASLEF after the McCarthy Report, and on the assumption that the report provided some basis for introducing them at all. You asked me to investigate why, although the MISC 72 report said "this could be done depot by depot, but it might be mid-April before they were ready to impose new rosters", Mr. Howell told your meeting that BR did not expect to introduce them until the end of May at the earliest.

I am told that Mr. Howell's assessment is based on a more recent judgment from the BR board than the one on which MISC 72 were working. BR now think that it would make for worse industrial relations to introduce the new rosters one by one than to wait until they were all completed and introduce them all at once. I am told that there is no practical difficulty about introducing some before the others.

This argument seems to me to be highly suspect on several grounds:-

- ✓ (i) Introducing them all at once provides a grievance for all the drivers at the same time, whereas introducing them gradually does not.
- ✓ (ii) The climate of public opinion will be most favourable towards the new rosters immediately after McCarthy reports.
- ✓ (iii) The more time passes, the more entangled this becomes with the new pay offer, and the greater the risk that the productivity issues will sink without trace.

X  
see over, to.

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X C ✓  
(iv) And the more time passes, the more likely it is that industrial action on the railways will take place after the summer holidays, when it does most damage to our coal endurance.

✓  
Mr. Howell said at your meeting that a further reason for delay would be to wait until after the ASLEF annual conference in mid-May. That also seems to me suspect: given the unrepresentative nature of union conferences, it could easily be that a resolution would be passed tying the hands of the Executive before BR had put the issue to them (although we must recognise that the ASLEF conference is likely to take an unhelpful attitude under any circumstances).

✓  
✓  
I believe that the speed at which BR moves after McCarthy is very important for the handling of this dispute, and that we cannot rely on BR's own judgment because the motivations of the Board are, regrettably, ~~hard~~ different from ours. We decided this afternoon that Ministers should meet to discuss the position almost immediately after McCarthy reports; you may feel that it would be wise for MISC 72 to be instructed to have ready for that meeting their assessment of the pace at which BR ought to be encouraged to proceed.

X

J.  
Oued  
mt.  
15 March 1982

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