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MS.  
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c. Mr. Hoskyns  
Mr. Ingham  
Mr. Wolfson  
Ms. Stephens

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MR. SCHOLAR

BR/ASLEF DISPUTE

The Prime Minister, and the others in the office concerned with the BR/ASLEF dispute, may like to know how it looks like developing.

McCarthy returns from Venice on 13 April. The earliest date for the receipt of the Tribunal's Report is 16 April. It is more likely to arrive in the week beginning 19 April. Caroline may like to know of the requirement for at least one meeting of Ministers later that week, but we should not organise it yet. We do not know what the Tribunal will say, because the Report has not yet been written: Press reports at the weekend and today are attempts by one side or the other to influence the outcome.

The Prime Minister will recall her concern at her meeting on 16 March at the assessment by Mr. Howell that BR would probably not try to introduce flexible rostering until the end of May, and possibly substantially later. The Department of Transport have now had further discussions with the BR Board, and two important new factors have emerged:

- (i) BR is introducing the new annual timetable on 17 May. That involves drawing up new train diagrams, and consequential new rosters, anyway.
- (ii) Because they feared finding themselves with no workable diagrams or rosters on 17 May, BR have put all their planning resources into preparing diagrams and rosters on a "non-flexible" basis. Until recently BR were saying that they could have flexible rosters ready by 17 May for only about 15 out of 269 drivers' depots. They may now be able to double that amount, having been told by Mr. Howell that we do not want to delay the issue.

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The effect of these new factors is clear. First, whatever McCarthy says, matters will come to a head on 17 May: assuming that BR does not cave in completely, some flexible rosters will then be imposed, and even a few will be sufficient to raise the principle of their acceptability to ASLEF. But, second, the word will be getting around that BR also have available non-flexible rosters for the whole of the train system, and BR will have to work hard to convince drivers that they are not planning to go ahead with the status quo.

The Home Secretary and Mr. Lawson will be reporting to their colleagues before long on the basis of the remits from the Prime Minister's meeting on 16 March. Meanwhile the Department of Transport are satisfied that BR are proceeding as fast as they reasonably can with the preparation of flexible rosters, and that they have no intention of making a pay offer in the new pay round until after they have received the McCarthy report. The only issue likely to arise for Ministers before the McCarthy Report is whether and if so when the Board should be encouraged to make it clear that they are engaged upon the preparation of flexible rosters as well.

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