SECRET P.0741 PRIME MINISTER The Railways INTRODUCTION The Railway Staffs National Tribunal (RSNT) under Lord McCarthy reported last Friday on flexible rostering, which was the source of the industrial trouble on the railway earlier this year. Your meeting tomorrow at 11.00 am is to discuss the issues which arise as a result of the RSNT report, which are reviewed in the Secretary of State for Transport's minute to you of 10 May and in the report attached to it by the Official Group on Railway Policy (MISC 72). Two other papers, both dealing with the impact of a rail strike, are relevant to the discussion, viz: my minute to Mr Scholar of 7 May covering a report by the Official Group on Coal (MISC 57); and the Home Secretary's minute to you of 30 March, covering a report by

ii. the Home Secretary's minute to you of 30 March, covering a report by the Civil Contingencies Unit on the main industrial implications of a rail strike.

THE RSNT REPORT

- 2. The industrial trouble on the railway earlier this year culminated in an ACAS Committee of Enquiry, with the same composition as the RSNT, which recommended a timetable for the discussion of flexible rostering in the various levels of the railways negotiating machinery. The outcome, not surprisingly, was a failure to agree and the matter was therefore referred to the RSNT. But the RSNT's report is not binding on the parties.
- 3. ASLEF's tactics during the RSNT hearings were to seek to demonstrate that the British Railways Board's (BRB) proposals on flexible rostering were unworkable and in support of this they cited a wide variety of reasons. ASLEF also showed no willingness to move away from the 8-hour day, although their evidence hinted that this might become negotiable if the financial induments were large enough.

- 4. The RSNT has found for the Railways Board on the principle of flexible rostering. They have also taken the BRB at their word that all but one of ASLEF's practical objections were without foundation, and recommended that the apparently very real fears of the drivers that flexible rostering would lead to a significant worsening of their conditions of service should be dealt with by the negotiation of a formal agreement on safeguards and criteria. In the light of their evidence to the RSNT it would be difficult for the BRB now to argue that this is an unreasonable approach, although some of the safeguards proposed by the RSNT may prove in practice to be too tightly drawn for the full productivity benefits of flexible rostering to be gained.
- 5. The major weakness of the RSNT recommendations is their proposed procedure for resolving disputes about the introduction of flexible rostering at local level. What they suggest is that where disagreements arise the introduction of new, flexible rosters should be deferred pending agreement within the established railway negotiating machinery. But they propose no timetable for the resolution of disagreements. The RSNT also recommends that the position on the introduction of flexible rosters should be reviewed after six months and that the agreement on safeguards and criteria should be extended unless at that stage the number of outstanding disputes is considerable and greater than envisaged. The clear implication, although this is not explicitly stated, is that if the number of disputes is considerable (which is not defined in the RSNT report) the flexible rostering agreement should be scrapped. Thus, even if ASLEF is prepared to accept the principle of flexible rostering as proposed by the BRB, the RSNT report offers them a very great deal of scope for delay and for obstruction.

MAIN ISSUES

- 6. The main issues for Ministers at this stage seem to be as follows:
 - a. Is major industrial trouble on the railways inevitable this year?
 - b. For how long could a rail strike be withstood?
 - c. What should be the tactics and timing?
 - d. What advice should the Government give to the Railways Board at this stage?

Is industrial action inevitable?

- 7. As the Secretary of State for Transport's minute illustrates there are currently a number of issues which could give rise to major industrial action on the railways, possibly involving all three trade unions. The proposal to close three major railway workshops and to seek large cuts in the BRB's administrative staff means that all three railway trade unions now have separate, major issues to fight with the BRB. At some stage the BRB will also want to try to make further progress with the other five productivity improvements which were agreed in principle in the context of the 1981 pay settlement; progress on them has been stalled pending the resolution of flexible rostering. Finally, a zero pay offer or an offer of perhaps 1-2 per cent deferred until the autumn, which is probably all that could be afforded in the Board's current chronic financial situation, would unite all three trade unions; their claim is for "substantial increases", thought to be about 14 per cent.
- 8. Given the range of major issues on which the BRB and the three trade unions are currently in dispute and, in particular, the possibility of difficult pay negotiations, there must be a high chance of serious industrial action on the railway this year.

Could a rail strike be withstood?

- 9. The three areas to be considered in assessing the impact of a rail strike (or major industrial trouble approximating to that) are:
 - i. power station coal stocks;
 - ii. the impact on industry; and
 - iii. travel to work.

i. Power station coal stocks

10. There is no cause for concern now about power station endurance during a rail strike. With maximum oilburn it would not be less than 20 weeks in the event of an immediate all-out rail strike, even if the miners banned all movements of coal (which seems unlikely); even with very limited cooperation from the miners endurance could be very much higher.

11. The more important consideration is the impact of a rail strike on power station coal stocks next autumn. There are too many variables for a precise analysis. But, as MISC 57's report shows, in the event of an early all-out rail strike, even one lasting for perhaps 8 weeks, power station coal stocks could probably be rebuilt by the autumn, although some increase in power station oilburn would probably be required. The most potentially dangerous situation is a rail strike starting late in the summer, as was threatened last year. An all-out rail strike during September and October could mean that by November power station endurance would be only about 12 weeks, even if the NUM agreed to allow the normal level of coal deliveries by road; if the NUM banned all movements of coal during a rail strike, endurance would be further reduced. If, as planned, power station coal stocks by November are to be at the maximum level physically possible, any industrial trouble on the railway would have to have been brought to a close by about the end of August; even then some increase in power station oilburn might be required during September and October if stocks are to be maximised.

ii. The impact on industry

- 12. The CCU report attached to the Home Secretary's minute to you of 30 March identifies iron and steel production, the chemical industry and some aspects of oil distribution as the most important areas in the event of an all-out rail strike. Of these, the distribution of industrial gases is the area of greatest concern. The CCU's assessment, based on very restricted discussions (for security reasons) between the Department of Industry and the chemical industry, is that the impact of an all-out rail strike on the delivery of industrial gases would be felt by industry within about 2 weeks and would be widespread and marked after 4 weeks; the engineering industry would probably be most seriously affected.
- 13. To avoid breach of security the Department of Industry has so far not explored the position in detail with the demical industry or individual chemical companies. But if there is an all-out rail strike it is probable that it will last for significantly longer than 4 weeks. The importance of an interruption in supplies of industrial gases therefore needs further assessment. This will involve detailed discussions with some chemical companies, with a slight risk of breach of security. Nevertheless it would be desirable to ask the Department of Industry to produce a quick report.

iii. Travel to work

- 14. Travel to work is only a problem in London but even there experience earlier in the year suggests that so long as London Transport services are operating normally, the impact is limited. If, however, there were to be simultaneous industrial action on London Transport, as the Secretary of State for Transport suggests in his minute, a large proportion of London commuters would find it difficult or impossible to get to work. In the event of a prolonged strike the effect of this could come to be serious.
- 15. Ministers will therefore need to consider what the chances are of serious industrial action on LT this year. So far Mr Livingstone has apparently encouraged the LT trade unions to campaign about cuts in services rather than hold out for a substantial pay increase. If that continues to be the case serious industrial trouble will probably not arise. But the GLC leadership is unpredictable and if they thought that they could embarrass the Government during an all-out rail strike by encouraging the LT trade unions to militancy, no doubt they would do so.

Tactics and timing

- 16. The key issue is whether the Railways Board should seek to confine industrial action to the narrow issue of flexible rostering, on which it would be supported by the NUM and the TSSA; or whether it should be prepared to face simultaneous industrial action from all three trade unions on a wide range of productivity issues and on pay. The timing of industrial action on the railway also needs careful consideration.
- 17. Even if BR succeeds on flexible rostering, which seems likely to happen only after a period of industrial action by ASLEF, the other productivity issues and the pay negotiations will involve the high probability of further industrial action by the other railway trade unions or by all three in concert. There could therefore be a case, if the BRB thought it right, for broadening out any conflict to encompass a wider range of productivity issues than just flexible rostering and possibly also pay. Indeed, there might be advantages to the BRB in doing so. If the issue were to be only flexible rostering, ASLEF would probably seek to limit industrial action to the three day per week pattern of strikes which occurred earlier this year. In those circumstances the Board's tactics would probably be to escalate the dispute so as to increase the cost to the individual ASLEF member. But escalation in this

way by the BRB carries risks in terms of public relations and also means that the Board would probably have to continue to pay the wages of NUR and TSSA staff while they were laid off. An all-out strike involving all three trade unions would be no more disruptive than an all-out strike by ASLEF, since without drivers the railway is immobilised, but the cost to the BRB would be greatly reduced since it would no longer be necessary to pay the wages of NUR and TSSA members (thus saving BR £17-25 million per week). An all-out strike involving all three railway trade unions would also circumvent the possibility that ASLEF may seek to have the question of flexible rostering incorpoated into the pay negotiations; the other two trade unions may adopt similar tactics over their particular disputes with the BRB.

- 18. As to timing, the implication of the MISC 57 report is that if there is to be a rail strike the sooner it occurs the better. A strike in the early part of the summer would allow adequate time for power station coal stocks to be rebuilt before November and would also mean that industrial action was taking place during the warmer weather, thus lessening the misery for commuters. Moreover, the threat of a national docks strike could arise again in the autumn.
- 19. The ASLEF Executive will refer flexible rostering to their Annual Conference, which starts next Monday and lasts for a fortnight. It is, therefore, possible that serious negotiations about the RSNT proposals on flexible rostering might not begin until early in June and they could then drag out for some time. The BRB could precipitate early industrial action, if that were thought the best tactic, by, for example, making a nil or very low pay offer, announcing that it would introduce flexible rosters at a few depots from, say, the beginning of June, or seek to make unilateral progress on the other outstanding productivity issues, such as the single manning of the Bedford-St Pancras service.
- 20. Although it could be advantageous to bring matters to a head in this way, it would be important that neither the BRB nor the Government should appear to be forcing the issue. Otherwise the rail unions would have public sympathy from the outset. The handling would need extreme care.

Advice to the BRB

- 21. During the industrial action earlier this year the Railways Board was told that the Government did not exclude the option of further disruption in the railway if the BRB judged that this was necessary for their strategy to succeed. But the BRB were told that they should consult Ministers before committing themselves to that course of action. Ministers need to consider whether to reaffirm this advice or to offer new guidance.
- 22. Before Ministers reach a final view on this and on the other questions above it would probably be useful to have at least an interim assessment from the BRB of the best tactics on flexible rostering; the possibility of industrial action over other issues, particularly pay; whether tactically it might be better to face industrial action on some or all of these fronts simultaneously; and the best timing of industrial action from the BRB's point of view. In due course it will be important to give the BRB guidance on whether further industrial action on the railway could, if necessary, be contemplated and on its timing. Ministers may however prefer for the moment to rest on the existing advice in paragraph 21 above and consider whether further guidance should be given on tactics and timing in the light of the BRB's own assessment.

HANDLING

- 23. You will want to invite the <u>Secretary of State for Transport</u> to introduce his minute. I suggest that you might then discuss the various issues which arise in the following order:
 - i. the probability of industrial action this year: the Secretaries of State for Transport and Employment may wish to contribute to this;
 - ii. whether industrial action could be withstood: the Secretaries of State for Transport and Industry will wish to comment on this. You will want to ask the Secretary of State for Transport for an assessment of the likelihood of simultaneous industrial action on London Transport; and to invite the Secretary of State for Industry to put in hand an urgent appraisal of the impact on industry of disruptions in the supply of industrial gases;

SECRET tactics and timing: the Secretaries of State for Transport, Employment and Energy, in particular, will wish to contribute to this part of the discussion; advice to the Railways Board: the Secretary of State for Transport should suggest what this might be in the light of the earlier discussion. CONCLUSIONS You will want to reach conclusions on the following points: 24. whether Ministers are disposed to take any preliminary views now on tactics and timing in relation to a rail strike; ii. whether the BRB should be asked for an early assessment of tactics and timing; iii. what should be said at this stage to the BRB, beyond what has been said already, about the Government's attitude to a rail strike;

iv. whether the Secretary of State for Industry should be asked to provide a quick assessment of the impact on industry of disruptions in supply of industrial gases;

v. whether any further work should be put in hand and, if so, what.

Pop

P L GREGSON

11 May 1982

2

PRIME MINISTER

British Rail

For your meeting tomorrow morning I think you will find it helpful to glance at Peter Gregson's covering minute to the latest MISC 57 report on the impact of a rail strike on power station coal stocks, as well as at David Howell's note of 10 May on the issues arising from the McCarthy Report.

I suggest that at your meeting we need to cover these issues:

- There is no need to spend much time on this, especially as ASLEF's considered reaction is not yet known, and may not be clear until after their annual conference later this month.

 The Government, BR and the media have, I think, all accurately assessed both the good and the bad parts of the award: the endorsement of the principle of flexible rostering, and the scope for ASLEF procrastination.
- (ii) The handling of the flexible rostering issue
 in relation to other issues.

 I think it is becoming less and less likely that
 the flexible rostering negotiations can be kept
 separate from the other issues facing BR. These
 include:
 - a) this year's pay offer, discussed below;
 - b) manpower cuts, both at the BREL workshops and among the members of the TSSA;

/(ii) (c) other

SECRET - 2 c) route: d)

- other productivity issues, including single manning of the Bedford-St. Pancras
- a possible coincidence of industrial action on BR and industrial action on LT. (Mr. Howell might be asked for his assessment of the likelihood of industrial action on LT, which he does not deal with in his minute.);
- e) the outcome of the Serpell Inquiry, which may well be available by the late summer, and which is bound to raise more difficult questions, including line closures:
- f) BR's financial position, also discussed below.

Of these, the dominant questions for Ministers are the handling of pay; and the handling of BR's finances.

On pay, BR has a history of swapping firm pay offers for discussions about productivity increases; that is what led to the current flexible rostering difficulties, and I am concerned to see from the third paragraph of Mr. Howell's note that that is what is again proposed. Given that it is most unlikely that the unions will, in fact, deliver increased productivity under present circumstances, the Board must face up to the fact that any pay rise will have to be kept to the absolute minimum justified by its present financial circumstances. That will clearly be in very low single figures.

- 3 -

As for the financial situation, we must not let the Board think that we are going to let them off the hook. The 1982/83 EFL is already some £100m below what the Board says they need, even with a zero pay increase, and continued pressure will have to be kept up to ensure that they take the necessary remedial action on assets and the investment programme. We will need to refute the argument that, because strikes are expensive, there is no short term incentive on the Board to stand firm (by pointing to the longer term benefits).

- (iii) The timing of industrial action.

 There are a number of factors:
 - a) passenger inconvenience is minimised if industrial action takes place in warm weather and during the holiday months, i.e. in July and August;
 - b) the effect on coal stocks is sustainable as long as industrial action is over by about the end of August, thus providing two clear months to recover the position by increased oil burn. Protracted industrial action starting in the early autumn must be avoided, if possible;
 - c) it may be easier to take on all the unions at once, because public support would be more robust than if there are a continuous series of disputes, and because it is better for BR not to have to pay some staff while others are stopping the railways running.

SECRET

/A11

- 4 -

All this points to our encouraging the Board to bring matters to a head soon, i.e. during June.

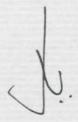
(iv) Guidance to the BR Board.

The issues are, therefore, complex and difficult, and it is not easy to find a way through them that meets our objective of improved productivity on the railways without running into a period of sustained industrial action. The missing ingredient at present is any coherent set of proposals from the Board on how to handle the issues, and what outcome they expect. Such proposals would, of course, raise issues for Ministers, notably on the extent to which we are prepared to sustain industrial action, and on our continued financial support for the railways; but in the absence of such proposals, it is hopeless for Ministers to provide guidance for the Board on individual issues.

Accordingly, I recommend that Mr. Howell tell the Board:

- a) The Government endorses the Board's position on the McCarthy Report, and wishes the Board to proceed to implement its recommendations without delay.
- b) The Government does not wish the Board to make a new pay offer to the railway unions until a clear set of proposals has been agreed for handling the whole complex of pay, productivity and industrial relations issues in prospect for the railways.

c) The Government wishes the Board to prepare such proposals by the end of May, on the basis of which further discussions between the Government and the Board could take place.



J. M. M. VEREKER

11 May, 1982

MR. MOUNT

c. Mr. Walters Mr. Scholar

BRITISH RAIL

John Palmer (the Under Secretary in charge of the railways), Graham Mackenzie (CPRS) and I saw Peter Parker, Clifford Rose and two of their henchmen also responsible for industrial relations (Wilcox and Urquhart) this afternoon, for the informal discussion which I mentioned in my note of yesterday. I made it absolutely clear that I had no authority to speak on the Prime Minister's behalf.

Peter Parker began with his reading of the new situation that has arisen following yesterday's vote on the NUR Executive. It is clear that the NUR Executive has drifted well to the left of Sid Weighell, and everyone was a little surprised that the moderates lost the vote (but only just - the strike call needed a two-thirds majority and the actual vote was 17 to 6). BR believed that ASLEF would now "join the war party", rather than wait for the imposition of flexible rosters on 4 July. The speculation in today's FT about BR willingness to increase the pay offer was unfounded: they had no intention of moving at all before the threatened strike date. Parker pointed out, I think rightly, that we must expect Weighell to make a convincing public case that the NUR have delivered on their promises, whereas the Board have not delivered on theirs.

I will not cover in detail all that Parker and Rose said, at considerable length, and often in a confused fashion, because previous sessions with the BR Board have often turned out to be misleading: their position changes rapidly from day to day. But there is one interesting new approach being developed by them. Parker and Rose both said that there were two possible sets of objectives that they could have. They could either seek a short, sharp strike, concluding with the delivery of the six disputed productivity items; or they could dig in for an extended shut-down up to three months - in the hope of obtaining much wider benefits at the end: benefits including a complete restructuring of BR's negotiating machinery, and possibly even new contracts of employment for all staff. We were, needless to say, highly sceptical of the feasibility of this.

CONFIDENTIAL

The Board are clearly still worried about Ministers getting cold feet, either before or shortly after the beginning of a strike. I said that my judgement was that Ministers' feet tended to get colder when they could not see a clear scenario for bringing the dispute to an end, and that it would be helpful if we could be given some idea of the sort of settlement the Board envisaged. But whether from a desire to keep their cards close to their chest, or more likely because of a failure to think the problem through, we did not get this much clearer. As he has done before, Parker launched into endless railspeak about the need for a vision of the railways future, the importance of the Serpell Inquiry, restructured pay and conditions and grading, and a lot of codewords amounting to a plea for Government support for major new investments. But he did admit the possibility of putting some package to a vote at an appropriate stage; of having to dismiss all staff and then reinstating them on different terms; and of producing a balanced package of pay and productivity improvements. We shall keep hammering away at this, but I doubt if we will be able to present Ministers with anything much clearer, or that it would make much difference to the way BR behaved, if Ministers themselves were to make proposals.

J.M.M. VEREKER

10 May 1982

(06) COPY NO / OF 11

SECRET

Prime Minister

BRITISH RAIL - INDUSTRIAL RELATIONS

I attach an appreciation by the group of officials of Lord McCarthy's Report on flexible rostering for train drivers. This report comes at a time when several other industrial relations issues on the railways are coming to a head.

The NUR have threatened strikes against the proposal to close three major railway workshops, including Shildon. The Transport Salaried Staffs Association, representing some 50,000 white collar railway workers will resist the large administration job cuts the Board is seeking. ASLEF are now faced with the need to swallow the unwelcome findings of Lord McCarthy, since the Board would clearly not now acquiesce to further ASLEF rejection. There are other productivity issues which the Board have yet to press, such as the manning of the new Bedford-St Pancras trains.

In this year's pay round the unions have submitted claims for substantial increases, but the Board have so far made no offer (although the due settlement date of 19 April is long passed) and do not intend to make any offer until they have got the unions to a fresh discussion of business prospects and productivity needs. The unions will not come to that discussion in any spirit of co-operation at all, since they are now very much preoccupied by job losses, which political elements in the unions will increasingly try to blame on the effects of our economic policies.

SECRET

The fact is that with the losses of some £60m from the ASLEF dispute, the Board would in any case be unable to make a pay offer which the unions would regard as tolerable. The Board had originally provided for a general pay rise of about 4% with provision of an additional 1% for specific productivity changes. The general levels of settlements reached elsewhere in the public sector will have led the unions to expect a good deal more than that but, given the losses from the ASLEF dispute, the pay offer they could finance within their financial limits could be little more than zero. Each one per cent of rail pay will raise the Board's total costs by about £15m in a full year.

The chances of a major railway strike, involving all the unions, are now therefore high. This event could become connected with the London Transport scene, where the ruling group on the GLC are fomenting union trouble. The clearer we are in advance about how and when we wish to play our hand with British Rail, the better.

Considering only our policy towards the railways, it is essential that the Board continues to take a firm stand; we need then to decide what influences we wish to bring to bear to weaken union resolve for strike action and maximise Board incentives to fight through. But there are wider considerations, and we need to recognise the full political implications of a railway stoppage that could be prolonged, and which might not occur until considerably later in the summer.

For my part, I think we should stand firm, do what we sensibly can to help the Board, and urge them to bring the issues to a head as soon as maybe. If my colleagues feel that

we should not be able to sustain a full rail strike, or only if it is soon, then it would be better to make that clear to the Board now.

I am sending copies of this to the Chancellor of the Exchequer, the Home Secretary, Secretaries of State for Energy, Employment, Scotland, Industry and Defence, and to Sir Robert Armstrong.

14.

DAVID HOWELL 10 May 1982

SECRET BRITISH RAIL - ASLEF DISPUTE Report by the Office Committee on railway policy 1. This is a further report by a group of officials from Department of Transport, Treasury, Department of Employment, No 10 Policy Unit and CPRS. The RSNT findings The Railway Staff National Tribunal (RSNT) has found in favour of British Rail's (BR) proposals on flexible rosters for train drivers, subject to a series of new safeguards and criteria to meet the objections of the Associated Society of Locomotive Engineers and Firemen (ASLEF). The Tribunal also recommends that the existing manning agreement in consequence be changed to permit rosters up to 9 hours to be single-manned. The RSNT also says that flexible rostering will permit the "minimum cost" introduction of the 39 hour week for drivers, with the implication that if ASLEF do not accept. then BR could withhold the shorter working week from them. Status of the findings 3. The RSNT findings, which are non-binding, give no timetable for the implementation of their recommendations. In particular, the embodiment in an agreement of the safeguards and criteria recommended by the Tribunal offers scope for a good deal of negotiation. Acceptability of the findings 4. The RSNT rejects the ASLEF case and effectively finds for the Board. The Board could not, therefore, now acquiesce in a further ASLEF rejection, nor could they seek to modify the recommended safeguards unless ASLEF also seek changes in them. 5. The safeguards envisaged by the RSNT are based largely on BR refutations of ASLEF objections to flexible rostering. Three in particular could reduce the full value of flexible rostering:i. RSNT recommend that no more than 20% of turns should be worked above 82 hours and that successive turns over 82 hours should not normally be worked without mutual agreement. 1. SECRET

will restrict BR's ability to create additional rest days within the flexible rostering system and could limit BR's savings. The Board are considering this in more detail;

- ii. RSNT recommend that new rosters should not affect the existing allocation of work to depots. While there is no direct connection this point could provide the union with an opportunity to obstruct unrelated but necessary changes in the future;
- iii. RSNT recommend that (as in the Guards' agreement) management should, as part of the new agreement, forego for 6 months its right to impose new rosters despite disagreements at depot level, such disagreements being referred instead to the next level of negotiation ('sectional councils'); in the absence of goodwill this could allow much procrastination.

The Board's approach

6. Whilst BR will decide their preferred course in the light of ASLEF's reaction, their position must be to seek the application of the recommendations as soon as possible. But they must also take care not to make it more difficult for ASLEF to accept by pressing them too hard.

ASLEF's approach

7. The initial response by ASLEF's General Secretary was that the report was "unworkable". The report will be taken by the Executive of the Union.

The Executive may reject it outright, or put it to the annual conference starting on 17 May, with or without a recommendation. If ASLEF reject the report outright, BR would wish to give time for pressure to be brought by the unions and TUC before announcing an intention to impose flexible rosters.

ASLEF have other choices, which would relieve them of pressure from the other unions, the TUC and public opinion. They could accept the RSNT recommendation and leave the agreement to be frustrated by disputes at depot level. They could avoid rejection, but seek further concessions in other fields eg pay.

NUR's reaction

8. Although the recommended safeguards for inclusion in the agreement for drivers are more specific than those in the flexible rostering agreement for guards, they are not obviously more advantageous to the men. It is unlikely the report will lead the NUR to re-open

negotiations on the guards' agreement; the General Secretary has already commended the report.

The Board's readiness to impose flexible rosters

9. With the delay by the RSNT in producing its report, it is not now practicable for BR to impose flexible rosters with the introduction of new timetables on 17 May, as earlier envisaged. Their initial view is that if, in due course, ASLEF reject the report, BR would give warning that they will impose flexible rosters for drivers at the beginning of July when they would have them ready for the majority of depots. They could start earlier with fewer depots, but that is not at present their preferred course.

The Government's position

10. Inspite of ASLEF's initial reaction, the RSNT report gives no reason for the Government to take a fresh position in public or to become more directly involved. Ministers might say that it is now for BR and ASLEF to set about implementing the report's recommendations, so as to gain the advantages it offers for the railway industry and its workforce.

Advice to the Railways Board

11. The Board will have to consider the flexible rostering issue in parallel with other industrial relations matters. Sir Peter Parker and his colleagues on the Board have already been told, in relation to flexible rostering, that Ministers would not exclude the option of facing further disruptions on the railways if the Board judged that their strategy made that necessary. But it has been made clear that the Board should consult Ministers before committing themselves to such a course. It is for consideration whether any different statement should be made to the Board or if they should be asked to take account of other considerations, such as the timing of any industrial action.

SUMMARY OF RAILWAY STAFF NATIONAL TRIBUNAL FINDINGS

FLEXIBLE ROSTERING

1. The Tribunal's decision is that the parties should agree to a 7-9 hour system of flexible rostering for footplate staff subject to the terms of a 'safeguards and Criteria Agreement'. The Tribunal recommends the modification of existing national agreements dealing with the 8 hour day and 'double manning', and says that their recommendations provide an effective alternative. The

their recommendations provide an effective alternative. The Tribunal finds against ASLEF's proposal to operate within limits set by the present national agreements, which would add to overall labour costs.

SAFEGUARDS AND CRITERIA

2. The specific safeguards and criteria are as follows.

A. Hours of Work

- i. The majority of turns should not be above 8 hours.
- ii. Not more than 20% of turns should normally be above $8\frac{1}{2}$ hours.
- iii. Successive turns in excess of $8\frac{1}{2}$ hours should not normally be worked by drivers without agreement.
 - iv. There should be no increase in the number of turns signed on or off between midnight and 5.00 am.
 - v. There should be no increase in the travel problems for drivers getting to and from work.
- vi. Flexible rostering need not lead to greater uncertainty concerning future work pattern and the availability of time off.
- vii. Drivers should not have to work a significant increase in the amount of overtime because of working spare turns, special trains, public holidays or weekends; and
- viii. Rostered rest days should be guaranteed.

B. Earnings

There should be no significant variation in the earning levels of drivers.

C. Local Agreements and Practices

There should be no significant effect on local agreements and practices.

D. Shift Swapping

Drivers should be able to continue exchanging rosters without undue difficulty.

E. Medically Restricted Work

The amount of work available for medically restricted drivers should not be significantly reduced.

F. Allocation of Work to Depots

It should not involve any alteration in the allocation of work to depots.

G. Manpower Considerations

It should not involve any alteration to traction training, existing link structures, and should not involve compulsory redundancies.

H. Driving Time

No change in permitted driving time will be involved.

I. Procedures for resolving disagreements

- i. Individual rosters should be decided jointly by Local Departmental Committees.
- ii. If disagreement arises new rosters should be deferred pending agreement within the machinery.
- iii. The position to be reviewed after six months experience.
- iv. The parties should agree an extension to the six month period, unless there is evidence of a large number of disputes.

MODIFICATION OF MANNING AGREEMENTS

3. With the safeguards listed above the parties should negotiate a change in the Manning Agreement to permit rosters up to 9 hours to be single manned.

ISSUES OUTSTANDING

- 4. There are two issues.
 - A. There should be negotiations for specific rewards to staff directly affected by the new arrangements.
 - B. Progress should be made on the itemsstill outstanding in the Understanding on Productivity. These are the open station concept; the trainman concept; single manning of passenger trains; single manning of freight trains; and manning of traction units on which RSNT makes specific recommendations (see paragraph 1).