

016
**National
Union of
Railwaymen**

INCORPORATING THE NATIONAL UNION
OF ROAD TRANSPORT OPERATIVES

UNITY HOUSE
EUSTON ROAD
LONDON, NW1 2BL

Tel: 01-387 4771
Grams: "BEWARE, LONDON, NW1"

GENERAL SECRETARY
SIDNEY WEIGHELL

ASSISTANT GENERAL SECRETARIES
R. J. TUCK
C. E. TURNOCK
A. L. DODDS

Prime Minister (2)

16 June 1982

Your Ref.
My Ref.

MW

*This is how the NUR are
presenting their case. R18
I understand that some of the*

Dear Sir

The Future of the Railway Industry *executive are wavering*

You will be as concerned as I am at the prospects of a long drawn-out and bitter strike in the railway industry. The railways are a vital part of the economy and there is therefore a serious responsibility upon all concerned to do everything possible to avoid this conflict. *considering pulling back behind*

While the immediate issue is the failure of the British Railways Board to respond realistically to our detailed pay claim, this is only one factor in a complex situation which concerns the very future of the railway system in this country. *ASLEF.*

The pay offer of 3% in the current year - a wage freeze from April to September, followed by a 5% increase - only served to heighten the atmosphere of anger and frustration within the industry. *MUS 18/6*

There are three parties to the running of the industry - the Unions, the Railways Board and the Government. The attached note spells out how the N.U.R. has delivered on its commitments and honoured all the agreements we have made. On the other hand the Government has reneged on its commitments to synchronize authorisation of investment in step with acceptance of change within the industry and the Board have dismally failed to honour firm promises to use the savings achieved to improve the pay and conditions of railwaymen.

You have a key role in understanding all that is involved and I am certain that after reading the enclosed notes you will have a greater appreciation of all the issues.

I am writing direct to you, therefore, to seek your consideration of what can be done to get us over this present pay dispute to provide the opportunity for a rational approach by all the parties to solve together the real issues involved in the nation's interests.

Please do not hesitate to write to me if there is any additional information you require or further discussion of the Union's position.

Yours faithfully

S. Weighell

The N.U.R. Case

The N.U.R. is not a Union which enters industrial action at the drop of a hat - our last national railway strike was in fact fifty six years ago. We are a responsible and constructive organisation and have earned the right to respect and fair dealing.

Two years ago, in an atmosphere of crisis, the industry itself - management and staff - got down to two days of serious and detailed discussion on the future. A "balance sheet" of change was drawn up for presentation to the Minister of Transport. The industry would undertake to effect major efficiency measures - Freight Marshalling Yard Rationalisation, Withdrawal from Parcels Collection and Delivery, Reduction in Passenger Mileage, Administrative Streamlining and an action programme of "good housekeeping" productivity measures.

This was to be matched by government approval of an investment programme, adequate External Financing Limits and a realistic Public Service Obligation Grant.

This balance sheet was discussed between the Transport Minister and the industry on three occasions.

/contd.

We thought there was acceptance of a synchronized approach when at the first meeting the Minister said "there was a need for a sensible bipartisan programme." On the second occasion he went further in stating that "the government was concerned not only with the present but with the long term future of the industry" He said that he "recognised the need to synchronize moves to meet the objectives of the railway industry and the government" and that "steps taken by the railways to improve productivity had to be geared to investment decisions taken by government."

At the third meeting the Minister said that the Government were "quite prepared to play to (the) rules" of a synchronized approach to the industry's problems.

At the meetings in June 1981 and December 1981 the Board Chairman, Sir Peter Parker voiced the strong feeling of the Joint Management/Union Rail Council "that whilst the industry had delivered on its side of the balance sheet the Government had not moved at the same pace and there was now a need to bring forward the vital decisions on investment required by the industry.

Consider what we have achieved:-

To judge whether the industry has delivered on its side of the balance sheet it is necessary to take a brief look at the main elements of the actions proposed in the 'Balance Sheet'.

(a) Rationalisation of Freight Marshalling

Yards to be completed by 1981. Proof of the speed of implementation can be seen in the reduction in the number of freight marshalling yards which fell by one-third in 1981 from 107 to 74. B.R.'s ability to substantially reduce the Freight deficit in 1981 was due entirely to the co-operation of the N.U.R.

(b) Withdrawal from C & D Parcels

This represented greater restructuring than had been agreed in the 1980 pay settlement when rationalisation of, but not withdrawal from, Collection and Delivery had been released for local consultation. Withdrawal from C & D Parcels was effective from 1 July 1981.

(c) Reduction in Passenger Train Mileage and Facilities

Loaded train miles were down 2.3% in 1981 on the 1980 level. Intercity loaded train miles will have been reduced by 10% in five steps:-

June 1981	-	3% (implemented)
October 1981	-	2% (implemented)
January 1982	-	10% (implemented)
May 1982	-	2% (implemented)
October 1982	-	2%.

(d) Acceleration of Administrative Streamlining

Involved reorganisation of control and centralisation of accounting procedures both of which have been implemented. Reduction in number of divisions and cuts in Administrative staff by 3,000 are currently being progressed.

(e) Co-operation in Good Housekeeping

Measures designed to match the workforce to the changed demands of the industry which do not necessarily involve re-organisation have been implemented extensively.

As a consequence of these changes 15,510 posts were eliminated on the railways between April 1980 and April 1982. The total staff cost savings, based on August 1981 rates, are approximately £74m on an annual basis. These are recurring savings - not once and for all - and take no account of savings in fuel, track equipment, maintenance, locomotives etc. of £25m or more.

Altogether, therefore, the savings so far achieved amount to around £100m or more than 5% of the Board's total paybill. None of these savings have been used to improve the pay and conditions of railwaymen as the Railways Board promised.

The final item on the 'balance sheet' was concerned with changes in working practices. However, discussions on this aspect were caught up with the A.C.A.S. understandings on Pay and Productivity in August 1981.

The N.U.R. has fully met the commitments it undertook in agreeing the 1981 A.C.A.S. Productivity Understanding. Open station experiments are taking place; the Union has made a positive approach to manning of passenger trains on the Bedford/St Pancras line by proposing a changed role for the Guards in conjunction with the extension of the open station concept to the line. We have made constructive proposals on the Trainman's Concept and taken part in studies on the conditions under which freight trains might operate without a guard. We are prepared to discuss the easement of the locomotive single manning agreement. Last, and by no means least, the N.U.R. has reached agreements on flexible rostering for Guards and other Conciliation Grades. The recent Tribunal Award on Variable Rostering for Footplate Staff has been accepted by the N.U.R. and is seen as totally vindicating the approach we have taken.

The N.U.R. has long recognised that changes in the railway industry are inevitable. We have demonstrated our willingness to co-operate in that change but we can only continue to do so if the Government is prepared to play its role by providing an adequate financial framework in which the industry can modernise and re-equip itself to meet the needs of the public.