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MR. MOUNT

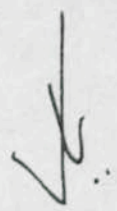
c. Mr. Whitmore
Mr. Scholar
Mr. Walters
Mr. Wolfson
Mr. Ingham

THE RAILWAYS

The rail strike is about to move into a new phase, following yesterday's decisions by the Board, the failure of the ACAS initiative, and today's announcements. We need to reassert publicly our original tactic, that we always feared, planned for, and were ready to sustain a long strike; and we need to be clearer in our own minds how it might be brought to an end, and what if anything can be done to hasten the process.

I have talked to Bernard about the first point, and he has it very much in mind. The attached note is a contribution to the second point. There are several in this office who are taking a close interest in the handling of this dispute so I am copying this more widely than usual, and would welcome comments.

A management ballot still seems to me to be the best option, at the right time. If successful, it could reap the wider benefits of demonstrating that union members sometimes recognise the futility of following their leadership up a blind alley. I have had a word with Tommy Thompson of ORAC, who has done some work on this, and he believes there is already a narrow majority among ASLEF for a return to work. (I have promised him he will not be quoted outside No. 10: he does this work covertly for BR, and is breaching commercial confidence. I hope to get some more out of him over lunch tomorrow.)



JOHN VEREKER

14 July 1982

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BRINGING THE RAIL STRIKE TO AN END

Whatever the mechanism for bringing the strike to an end, a necessary precondition is that either or both of the parties change their present position on the newly posted rosters. Few strikes end with one side capitulating totally, and we must expect that whichever side "wins" there will be a public face-saver for the other. But the three main scenarios for an end to the strike are:

1. BR give in.
2. Mutual compromise.
3. ASLEF give in.

1. BR Give In

There is no difficulty about the mechanism: BR merely withdraw the new rosters. A face-saver would be to leave the new rosters but to agree to pay (indefinitely) for an 8 hour day even where a driver was rostered for less. Either would have immediate effect. Neither meets our or BR's objective of a more efficient railway. They are courses to be adopted only as last resorts - if the Government was at the limit of its endurance, because of (for instance) a concurrent tube strike or, much later, a threat to coal stocks, and then only if a genuine compromise was unavailable.

2. Mutual Compromise

Compromises are available, but both sides have for the moment ruled them out because they are each playing to win. The most fruitful areas for compromise involve ASLEF conceding the principle of variations on the 8 hour day, while BR concede that in practice such variations will be limited either in time, or in number, or geographically. Thus there could be an experiment for a defined period; introduction of flexible rostering by very small

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variations on the present system; or a regional experiment. The other main areas for compromise lie in the field of a quid pro quo by the Government in return for more flexible working practices by the unions - a guaranteed level of future investment, guarantees against redundancies or closures, or guarantees of a particular scheme such as East Coast electrification.

These are courses to be explored if and when the Government or BR judges that ASLEF are not likely to give in for an unacceptably long time. The first group of compromises would probably be regarded by the public as a climb down by BR; the second group might well be publicly acceptable.

Mechanisms for achieving such compromises do exist: direct discussion between the Board and ASLEF, or through a third party such as ACAS. But no compromise along these lines is likely to be acceptable to the two parties until a few more weeks have passed.

3. ASLEF Give In

The ASLEF Executive and delegate Conference are both more militant than the membership as a whole. Therefore, for BR to "win" the strike requires a mechanism for the desire of ASLEF drivers to return to work on the basis of the new rosters to be manifest. There are at least three such mechanisms:

1. Drivers vote with their feet, and sign on in increasing numbers. This option is not available if the railways are closed, because even if staff willing to work are required to clock in, it would not be possible to tell if they were willing to work variable rosters. It is also, on present evidence, the option that would take longest: drivers are less likely to manifest their willingness to work by crossing picket lines than by other means.

2. Decision of a recalled delegate conference.

A more likely scenario is that branch pressure results in a decision by the Executive to recall the delegate Conference, which could decide a return to work with the new rosters. That is still likely to take several weeks, and would be unlikely unless most ASLEF members had concluded they could not win (see below); and it would carry a risk - that the Conference decision might go the wrong way.

3. A management ballot. We know (because we asked them) that the Board have this possibility in mind. It is not in itself a mechanism for winning, because the ballot might be boycotted or the result might be disregarded by the union leadership (on the grounds for instance that the question was misleading, or put under duress). But, if there were a significant majority for a return to work, it would provide the basis for BR to announce that the railways would be re-opened, and to invite drivers to return: it would be reasonable to expect most of those who had voted to do so, to clock in. Again, the precondition for a management ballot would be that most ASLEF members recognised they could not win; and the timing would be crucial. It should take place before the holiday season but after several weeks of lost pay - i.e. at the end of July.

Conclusion

A successful outcome to the strike is most likely to be brought about by a recalled delegate Conference or a management ballot. Either requires a substantial collapse of ASLEF morale. The support given to ASLEF by Mr. Foot and by LT tube drivers will make that harder to achieve. It can be hastened by giving them the strong impression that both the Government and the Board

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have no intention of giving up. We can say so directly; we can let it be seen that we are taking active steps to train new drivers (so that the act of dismissal appears more than a charade); and we can - perhaps - announce limitations on the extent of the Government's financial guarantees to the Board. These last two points are being investigated urgently by officials.

14 July 1982