



(c) crown copyright

PREM 19/1333

**SECRET**

CONFIDENTIAL FILING

Financial position of the  
Coal Industry

NATIONALISED  
INDUSTRIES

Mineworkers Pay

RE 1: JUNE 1979

~~BRIEFING FOR TUC on COAL DISPUTE in ATT. FOLDER~~

RE 12: SEPTEMBER 1984

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>4.9.84</del>							
<del>5.9.84</del>							
<del>6.9.84</del>							
<del>7.9.84</del>							
<del>10.9.84</del>							
<del>12.9.84</del>							
<del>13.9.84</del>							
<del>17/9/84</del>							
<del>19/9/84</del>							
<del>20.09.84</del>							
<del>CC880</del>							

● PART 12 ends:-

cc(84) 31st minute 3

PART 13 begins:-

AT & BM 21/9/84.

TO BE RETAINED AS TOP ENCLOSURE

### Cabinet / Cabinet Committee Documents

Reference	Date
CC(84) 31 <sup>st</sup> Meeting, Limited Circulation Annex item 3	20/09/1984
CC(84) 31 <sup>st</sup> Meeting, item 3	20/09/1984
MISC 101(84) 40 <sup>th</sup> Meeting	17/09/1984
CC(84) 30 <sup>th</sup> Meeting, Limited Circulation Annex item 4	13/09/1984
CC(84) 30 <sup>th</sup> Meeting, item 4	13/09/1984
MISC 101(84) 39 <sup>th</sup> Meeting	12/09/1984
MISC 101(84) 38 <sup>th</sup> Meeting	10/09/1984
MISC 101(84) 37 <sup>th</sup> Meeting	07/09/1984
MISC 101(84) 36 <sup>th</sup> Meeting	04/09/1984

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate **CAB** (CABINET OFFICE) CLASSES

Signed J. Gray

Date 30/9/2013

PREM Records Team

# THE ENEMY WITHIN

Who are these McGibbons, and where do they come from?  
What are their motives for being in Kent?  
And who is behind them?



## Who are they?

The McGibbons' first appearance was at British Leylands Cowley Plant in 1974. They led a victimisation campaign against an elected TGWU shop steward. It was a successful campaign which led to his removal from office. The main thrust of that campaign, led by Irene McGibbon, involved collecting signatures, agitating and spreading despondency amongst the wives of striking men. Robert McGibbon said then "the time has come for responsible people to do something, anything, to end this stupid and wasteful destruction" (*Oxford Mail* 25.4.74) . . . sounds familiar . . . ?

In 1976 Robert McGibbon moved to Betteshanger Colliery in Kent.

## ● **Why are they in Kent and what are their motives?**

Betteshanger Colliery has always had, and is proud to have, a long tradition of strong effective trade unionism. The Kent coalfields played a leading role in both 1972 and 1974. What better place for a right wing extremist such as McGibbon to attempt his 'disruption tactics'? Since this dispute began he has been doing just that. McGibbon seized upon the NCB's timely announcement that Betteshanger Pit was in danger and unsafe, and said he would return to work. In anticipation of his return, and to ascertain the state of the pit themselves, miners occupied the pit. The NCB obtained an injunction but the police refused to enforce it, knowing that an agreement was imminent. That day McGibbon, in the presence of his solicitor, and witnessed by Terry Harrison (NUM), Frank Redman and John Keenan (NACODS), signed the following agreement:

**"In view of arguments put to us by individual members of unions which would be affected by any closure of the Colliery, we have agreed as a gesture to help keep the peace, not to return to Betteshanger Colliery while the present strike lasts."**

The NCB also signed an agreement subsequently that: **"There would be no inherent danger to the pit"**.

McGibbon lied, he cares nothing for the long term survival of the pit, nor for miners' jobs, or communities. When he and three others reported for work on 3 September, he knew this provocative gesture would ensure:

- \* the immediate withdrawal of 300 officials in NACODS, COSA and APEX, depriving the pit of effective safety cover;
- \* the loss of coal deliveries to the retired, elderly, sick and disabled;
- \* and a massive police presence in the pit villages.

100 men have already been arrested, 8 remanded in custody for a week and 29 have been sacked.

Mrs McGibbon meanwhile, true to form, agitates amongst the miners' wives, with offers of help, providing you can convince your man to cross picketlines.

## **So who is behind them?**

The Freedom Association is known to be actively involved, and they have a long record of such intervention. In 1976 they helped Notts. miner Will Richards take the NUM to an Industrial Tribunal. They have undermined strikes and broken closed shops in British Rail, Grunwicks, Local Government, the Post Office, Hotels in Oxford, Rank Toshiba in Plymouth, and are notorious in the construction industry. Not content with industrial disputes, they have consistently supported the white minority in South Africa, reactionary elements in Eastern Europe and campaigns for privatisation.

On 26 July this year Tony Cook interviewed both Norris McWhirter, Chairman of the Freedom Association, and McGibbon, on Radio Four's 'Decision Makers' programme.

When asked about his involvement with the Freedom Association McGibbon said: "Yes . . . during the Cowley dispute they used to phone, and have regularly been in touch in the present situation to ask how things are going; they suggested I put an answering machine on my phone to record conversations". McWhirter admitted that he had "personally talked with people involved", that he believed the situation in Kent was "...the worst in the country", and said "...we want to know more about it so we can be MORE EFFECTIVE in helping an extremely courageous man". He then freely admitted that if people "came to us we would be happy to assist them and show them the ropes" in setting up an alternative organisation to the NUM. No further proof is needed that McGibbon and the Freedom Association are actively pursuing a strong, longstanding relationship.

McGibbon is a man who in 1974, in response to leaked information that the CIA had drafted 40 extra agents into Britain because they were concerned at the course the trade union movement was taking said: **"If they are alarmed, we most certainly should be"** — a man who has turned his back on his Union and industry, has willingly acted as a tool of MacGregor, broken signed agreements and the trust of his workmates, and acted as a provocateur in providing the police with the excuse to place his neighbourhood and community under curfew —

**He is the enemy within.**

File

38.

Daily Coal Report - Thursday 20 September 1984

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	3
(ii) Turning some coal	8	1
(iii) Some men present	17	-
(iv) On strike/picketed out	103	-

In Scotland a record 168 men have reported at Bilston Glen.

In the North East the position is much as yesterday.

The number working in Yorkshire has risen to 38. This includes 6 contractorsmen, NUM members, who have reported at Maltby for the first time.

In North Derby 231 men have reported at Bolsover (up 6 from yesterday), 166 (best yet) at Shirebrook, and 157 at Warsop. As before there are also men in at Markham, Renshaw Park, Whitwell, Arkwright and Highmoor.

Attendances in the working areas remain good. In the NCB's Western area there were record attendances yesterday at Holditch, Hem Heath, Parkside and Point of Ayr.

Coal Movements

172,000 tonnes were moved yesterday. 40 coal trains ran.

↪ Last week the CEGB added a net 79,000 tonnes to stocks.



Law and Order

The heaviest concentration of picketing is again in Yorkshire with 3,000 at Yorkshire Main (5 men in), and 1500 at Carcroft (1 man in).

3 Derbyshire miners today obtained High Court Injunctions against the Derbyshire Area NUM. The Area's representatives agreed not to take any steps to suspend the men from union membership, nor to take any other disciplinary action against them because of their refusal to comply with the strike call and their crossing of picket lines.

Industrial Relations

A meeting between the Coal Board and the TUC has now been arranged for Monday evening.

The Coal Board are still pressing the pit supervisors union, NACODS, to meet them before the ballot of NACODS members next week. The text of the question believed to be on the NACODS ballot paper is attached.

The TGWU General Secretary Moss Evans today announced that the union is to black all coal deliveries to power stations with immediate effect. It is too early to assess the likely response. Earlier calls by the TGWU have met with little success.

This move appears to be an attempt to preempt the unions involved with the electricity supply industry who are due to meet the NUM next Tuesday, under the auspices of the TUC, to discuss possible support for Scargill. The main power unions, and the moderate sections of the GMWU, have already made clear their opposition to any action which would stop electricity supplies.

Line to Take

This needless strike is putting at risk the jobs and welfare of ordinary miners, and all who depend on the industry. It is time for a national ballot.

Any workers asked to take sympathy action in support of Mr Scargill and his fellow militants should remember that the third of the miners who have been able to vote have voted overwhelmingly to continue working. All those who believe in democratic values should respect and support the democratic decisions of these working miners.

[See also statement issued by Mr King tonight].

Distribution: Members of MISC 101, Mr Gregson (Cabinet Officer)

Enquiries: Michael Reidy, PS/SOS for Energy, Tel: 211 6070

17th September 1984

NACODS . BALLOT PAPER

The question on the NACODS ballot paper is believed to read as follows:

"The NEC unanimously and strongly recommend strike action under Rule 21 on the following grounds and opposes:

1. The Board's cut-back in capacity.
2. The Board's attitude in the implementation of conciliation procedures.

and calls for the complete rejection of the Board's guidelines of August 15".

September 20, 1984

STATEMENT BY TOM KING

Commenting on today's reports that miners will be seeking to prevent people in other industries from going to work, Employment Secretary, Tom King said:-

"Mr Scargill now apparently claims that TUC policy gives him the right to use his pickets to stop the members of other unions earning a living. And he expects them to pay him a special TUC levy for the privilege. What does the rest of the TUC have to say about that?"

"If Mr Scargill is making all those demands on the TUC, I hope that the very least they will do is to insist that their code on peaceful picketing is properly observed by the NUM. Nothing has done more damage to the reputation of trade unionism than the violence and intimidation of the last six months. The TUC owe it to everybody in this country to ensure that their own code is observed."



Press Office

Coal file

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

20 September

A Turnbull Esq.,  
10, Downing Street.

Dear Andrew,

You asked this morning for a note on the figures you said you had overheard being hinted as the 'true costs of the coal strike', which put them at substantially higher than the costs quoted by the Government.

As Lobban has not been able to identify the detailed figures to which you were referring, so has produced only the attached, which closely follows the Chancellor's statement in the House on 31 July, giving a line to take on why the strike is a 'good investment'.

If you require any more, or can identify more precisely the original report you were referring to, so that you can let us know.

Yours,  
Judith

C O N F I D E N T I A L

Why is the coal strike a good investment

The Chancellor told the House on 31 July that the public expenditure cost to that date was about £300-350 million. He gave no figure for the continuing weekly costs but these are widely put at about £25 million.

2. These are once and for all costs.

3. Closing uneconomic pits would save money year in, year out. The amount involved is substantial and would rise to hundreds of millions of pounds a year. So the costs of the strike would be paid for by about one year's savings. In this sense, the strike is a "good investment".

Line to take

4. The Chancellor has given figures for the once and for all cost of the strike. By comparison the NCB underlying problems including its uneconomic pits require a taxpayer's subsidy year after year, currently £100 billion. Of this some £600 million is to cover the NCB's losses and the rest is to help restructure the industry.

COVERING SECRET

Copy No 1 of 4



Misc 101  
filed

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 7214

37

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

20 September 1984

*Dear Andrew*

ENDURANCE

I attach this week's report on power station endurance.

Copies also go to Margaret O'Mara and Richard Hatfield.

*Yours*  
*John*

J S NEILSON  
Private Secretary

COVERING SECRET



## POWER STATION ENDURANCE

1. Coal deliveries to CEGB power stations last week were 0.65 mt (including non-NCB sources), the best achieved since the start of the strike. Coal burn was 0.57 mt so that for the second week stocks have increased, by 0.08 mt. The Board's stocks last Sunday night (16 September) were 14.5 mt with a further 0.9 mt at Scottish power stations.
2. Total NCB deliveries last week were about 0.82 mt, of which about 0.20 mt went to customers other than power stations.
3. The average rate of coal deliveries to CEGB power stations over the whole period of the strike has been 0.45 mt per week. The average over the past 8 weeks has been 0.49 mt.
4. The range of endurance outcomes is estimated by the CEGB as follows:

<u>Average coal deliveries</u>	<u>Oil burn (% of maximum)</u>	
	<u>90%</u>	<u>100%</u>
0.30 mt/week	early Jan	late Jan
0.35	mid Jan	early Feb
0.40	late Jan	Late Feb
0.45	early Feb	early March
between 0.45 and 0.52	-	(see Note)
above 0.52	-	Autumn 1985

NB: Between 0.45 and 0.52 mt/week it is particularly difficult to forecast endurance with confidence. The margin needed to extend endurance from Spring (March/April) throughout the Summer is small, as Sir Walter Marshall has explained.

Department of Energy  
19 September 1984



*File*  
*M*  
*36b*

PRIME MINISTER

PAY AWARD TO WORKING MINERS

I gave Mr. Walker's office an account of your discussion with Mr. Stewart and warned them that you wished to speak to him about the proposal for a pay award for miners at work. I suggested that rather than asking Mr. Walker to come across for a meeting, you might want to talk to him by phone.

Subsequently, Mr. Walker himself phoned back to make the following points. Department of Energy Ministers have talked about this question often with Mr. Stewart, but his account does not accord with Mr. MacGregor's account of the NCB's discussions with the newly-elected union leaders in the working areas. The latter have said that they would like to receive a 5.2% increase in return for lifting of the overtime ban, but they can see no way in which they could fulfil this bargain without breaking the union's rules. Since adherence to the constitution is their guiding principle, this is the last thing they wish to do. Mr. MacGregor says it has been agreed that if ever the newly-elected leaders put a scheme to him which gets round their difficulty, the NCB will immediately pay the increase. (It has, however, been agreed that any miner who returns for more than four weeks will receive some holiday pay). I find this account more convincing than Mr. Stewart's claim that the overtime ban could be called off by area action.

This does not rule out a pay award without removal of the overtime ban. In effect this would be an imposed settlement of the kind considered for the Civil Service. The case for it would be:-

- (i) to improve morale of those at work;
- (ii) to enhance the status of the newly-  
elected officials;
- (iii) to increase the incentive to return  
to work;
- (iv) to create the impression that the NCB  
and the working miners are going to get  
on with the job regardless.

I think it is still worthwhile your talking to Mr. Walker on the phone to discuss this proposition and to ask him to consider it with Mr. MacGregor. This could be either this evening after the EXCO function or around 0900 tomorrow.

AT

19 September 1984

DSG



file

369

10 DOWNING STREET

From the Private Secretary

19 September 1984

Dear Henry,

TRADE UNION ACT 1984

In his minute to the Prime Minister of 11 September the Solicitor General gave his views on the way in which Part II of the Trade Union Act 1984 would be likely to operate after coming into force on 26 September. The Prime Minister has subsequently received a copy of a note setting out the legal advice received by a private sector company in relation to the dock strike. A copy is attached.

It seems to the Prime Minister that paragraph 3 of the note appears to hold out greater possibility of successful legal action where there are acts by the union to keep an existing strike going.

She would be grateful for further advice from the Attorney General and the Solicitor General which takes account of the opinions expressed in the note. Could this also consider the question of who might successfully bring such action and whether this would include union members who are on strike but who, for one reason or another, feel unable to return to work.

I am copying this letter to David Normington (Department of Employment) and Peter Gregson (Cabinet Office).

Yours sincerely

Andrew Turnbull

Andrew Turnbull

Henry Steel, Esq., C.M.G., O.B.E.,  
Law Officers Department.

AK

SECRET

36

P.01391

PRIME MINISTER

Cabinet: Industrial Affairs: Coal and the Docks

It will probably be convenient to deal briefly with the docks first and then move on to a more extended discussion about coal.

Docks

2. You will wish to invite reports from:

- i. the Secretary of State for Transport on how complete the return to work has been since the calling off of the strike on Tuesday;  
(there have been reports of some difficulties with tally clerks at Tilbury and tugboatmen at Bristol)  
Pay claim.
- ii. the Secretary of State for Trade and Industry on the exchanges between the British Steel Corporation and the TGWU about Hunterston and supplies to Ravenscraig.

*Steel union  
TOA.  
Government  
Federation  
savings  
N. C. I.  
denial*

Coal

3. You will wish to ask for reports from:

- i. the Secretary of State for Energy on:
- the number of pits and miners working;
  - coal movements;
  - probable next moves following the breakdown of the NCB/NUM talks;
- ii. the Secretary of State for Employment on:
- speculation about the role of ACAS;

SECRET

SECRET

- the activities of the TUC (with particular reference to the forthcoming meeting of the Finance and General Purposes Committee);
  - the forthcoming meetings between the NUM and the transport and electricity supply unions;
- iii. the Home Secretary on:
- law and order generally;
  - the recent decision of the South Yorkshire Police Authority about horses and dogs.

Next meeting

4. A meeting of MISC 101 has been arranged for 4.15pm on Tuesday 25 September.

*PLG*  
P L GREGSON

19 September 1984

SECRET

NI 495 4 XXX 201

'PITS WILL BE CLOSED' - THATCHER

UNECONOMIC PITS WILL HAVE TO BE CLOSED, NO MATTER HOW LONG THE MINERS STRIKE GOES ON, MRS THATCHER SAID TODAY.

AND THE PRIME MINISTER SAID SHE HOPED NO ONE WOULD "EVER GIVE IN TO MOB VIOLENCE."

IN AN INTERVIEW ON RADIO 2'S JIMMY YOUNG SHOW, MRS THATCHER REPEATEDLY ATTACKED THE MINERS' UNION FOR REFUSING TO ALLOW ITS MEMBERS TO BALLOT ON THE STRIKE.

THE STRIKE, SHE SAID, WAS BEING SUSTAINED BY MOB VIOLENCE, WHICH THE VAST MAJORITY OF MINERS FOUND REPUGNANT.

THE PRIME MINISTER SAID THAT IN DEMANDING THAT UNECONOMIC PITS SHOULD NOT CLOSE, THE NUM WAS MAKING A DEMAND MADE IN NO OTHER INDUSTRY.

AND SHE ADDED: "IT DOESN'T MATTER WHO YOU TALK TO, IT DOESN'T MATTER HOW LONG THE TALKS GO ON, IT DOESN'T MATTER HOW LONG THE STRIKE GOES ON, IT DOESN'T MATTER WHO COMES IN TO TALK - UNECONOMIC PITS HAVE ALWAYS CLOSED, UNECONOMIC PITS WILL ALWAYS HAVE TO CLOSE."

MRS THATCHER ACCUSED THE STRIKERS OF SACRIFICING THEIR OWN AND OTHER PEOPLE'S JOBS.

BUT MANY STRIKING MINERS FOUND THE VIOLENCE OF THE DISPUTE "TOTALLY REPUGNANT" AND WERE UNABLE TO EXPRESS THEIR VIEW. "THEY ARE THE THIRD PARTY WHOSE VOICE SHOULD BE HEARD," SHE SAID.

191342 SEP 84

file  
SECRET AND PERSONAL



VSE  
35.  
cc: Mr. Ingham  
Mr. Turnbull

10 DOWNING STREET

From the Private Secretary

19 September 1984

Dear Michael

Miners' Wives Back to Work Campaign

Mrs Fjaelberg (South Wales), Mrs McGibbon (Kent) and Mrs Linton (Derbyshire) came to see the Prime Minister yesterday at their request to discuss the coal dispute. They reported on their role in encouraging the men to return to work and in helping them and their families to sustain the pressures which this would create.

They put a number of points to the Prime Minister:

- (i) Most miners were still ignorant about the details of the NCB offer. They did not appreciate the extent of the Board's plans for investment in new capacity but, more particularly, they were in the dark about the prospects for their own pits. In such circumstances, rumours about imminent closures were able to thrive. The Prime Minister asked how information could be got across. The wives said the men were not reading national newspapers but did see the free distribution newspapers. They received but probably did not read Coal News.
- (ii) While talks were going on or were in prospect, it was difficult to persuade men to return to work. It should be made clear that there was nothing more on offer and that the Board and the Government could resist for a very long time.
- (iii) They gave an account of the extent and nature of the intimidation. Shops were being blackmailed into supplying strikers and into withholding supplies from working miners. Families of working miners lived in fear of attack to themselves or their property. The wives were full of praise for the police who had made strenuous efforts to protect them and enable their husbands to get to work. The Prime Minister pointed out that under the Conspiracy and Protection of Property Act 1875

SECRET AND PERSONAL

(VSCAAK)

CST

SECRET AND PERSONAL

- 2 -

it was a criminal offence to beset someone's house.

- (iv) When the strike was over life would be extremely difficult for those who had led the return to work. They would be forced to move to other areas or to leave the industry altogether. The wives suggested that the NCB could give an assurance that it would transfer miners in this position or would give them priority in applications for redundancy. The Prime Minister said she was sure the NCB would be loyal to those who had stuck by it.
- (v) They said that their campaign had experienced difficulty in securing access to the media, whether local or national newspapers or radio and television. The BBC were said to be particularly unhelpful.
- (vi) Local NCB management in a number of areas had not been helpful in promoting a return to work and in Kent had sided with the NUM in discouraging men from returning.
- (vii) The active pickets were not short of money or supplies. The money raised from collections and the food parcels were being channelled to them and the non-militant miners were being left to fend for themselves. Many had been able to get by through moonlighting though with winter approaching it would be more difficult to find such work.
- (viii) For the most part gas and electricity bills were being allowed to mount up without disconnections though telephones were cut off. Shops were in general not repossessing goods.
- (ix) They asked why the NCB had not organised a management ballot or followed up its civil actions. The Prime Minister went over the various arguments with them.
- (x) They had been able to raise a small sum of money themselves and had received some assistance from the National Working Miners Association. But in general their organisation was run on a shoestring. They wished to adopt a higher profile in respect of publicity and were thinking of ways in which legal action could be brought against the NUM. They asked the Prime Minister whether she would welcome such legal action. She said this would be a helpful development but it was important for cases to be soundly based.

SECRET AND PERSONAL



SECRET AND PERSONAL

- 3 -

- (xi) They suggested that where there was a number of pits close together it would be better to group returning miners in one pit in order to get production started.

The wives said they were hoping to have meetings with Mr. Kinnock, Mr. Steel and Dr. Owen. It was agreed that no publicity would be given to this meeting though if knowledge of it became public No. 10 would brief along the lines of the attached note. The Prime Minister thanked them for coming to see her and said she would be happy to receive any information on the course of the dispute and the return to work which they wished to put to her.

The Prime Minister will raise a number of these points with your Secretary of State. In particular, she is concerned to find ways of getting the NCB's message through to ordinary miners, and ways to increase the incentive to return to work.

I am copying this letter to Peter Gregson and I would be grateful if it were retained in your offices.

*Yours sincerely  
Andrew Turnbull*

Andrew Turnbull

Michael Reidy, Esq.,  
Department of Energy.

SECRET AND PERSONAL

Daily Coal Report - Wednesday 19 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	(3)
(ii) Turning some coal	8	(1)
(iii) Some men present	17	-
(iv) On strike/picketed out	103	-

The general picture is much the same as yesterday.

In Scotland the number reporting has now risen to 165. Picketing is light but the Coal Board report that there is some evidence of intimidation away from the pit.

In the North East the position is virtually unchanged. The single miner who worked at Westoe pit yesterday did not report for duty today. The windows of his house were smashed last night and petrol bombs were thrown into the pit yard early this morning. The pit is now heavily picketed.

In Yorkshire 35 men have again reported. Yorkshire is again the main centre of activity for picketing (see below).

In North Derby 225 men have reported at Bolsover. Shirebrook is now up to 162 and Warsop to 163.

No other notable features. Attendances in the working areas remain good.

Coal Movements

154,000 tonnes were moved yesterday.

Law and Order

The most serious incident over the last 24 hours has undoubtedly been that at Westoe, reported above.

In Yorkshire there are reported to be 2,000 pickets at Kellingley, 1500 pickets at Kiveton Park and 1,000 pickets at Markham.

Industrial Relations

At last Friday's press conference following the breakdown of talks, Mr MacGregor expressed his willingness to explain the Board's case to the TUC. The Board has since indicated this directly to the TUC and it is hoped a firm arrangement can be made shortly.

Press speculation that ACAS has launched a major new initiative is misplaced. ACAS is updating itself on latest developments without commitment to further action - a routine process.

The ending of the dock strike will undoubtedly lower the NUM's morale. News just in suggests - unsurprisingly - that Scargill does not accept the pact made by the steelworkers and dockers over the supply of coal to Ravenscraig.

Line to Take

As yesterday .... Stress generosity of Coal Board's offer.  
Stress need for ordinary miners to be given the chance to vote.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, Tel: 211 6070

COVERING SECRET

Copy No 1 of 4



*Cabinet folder*

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 7214

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

18 September 1984

*Dear Andrew*

I attach the latest weekly report on coal  
and power station statistics.

Copies also go to Margaret O'Mara and  
Richard Hatfield.

*Yours  
John*

J S NEILSON  
Private Secretary

COVERING SECRET

Copy No 1 of 14  
14 September 1984

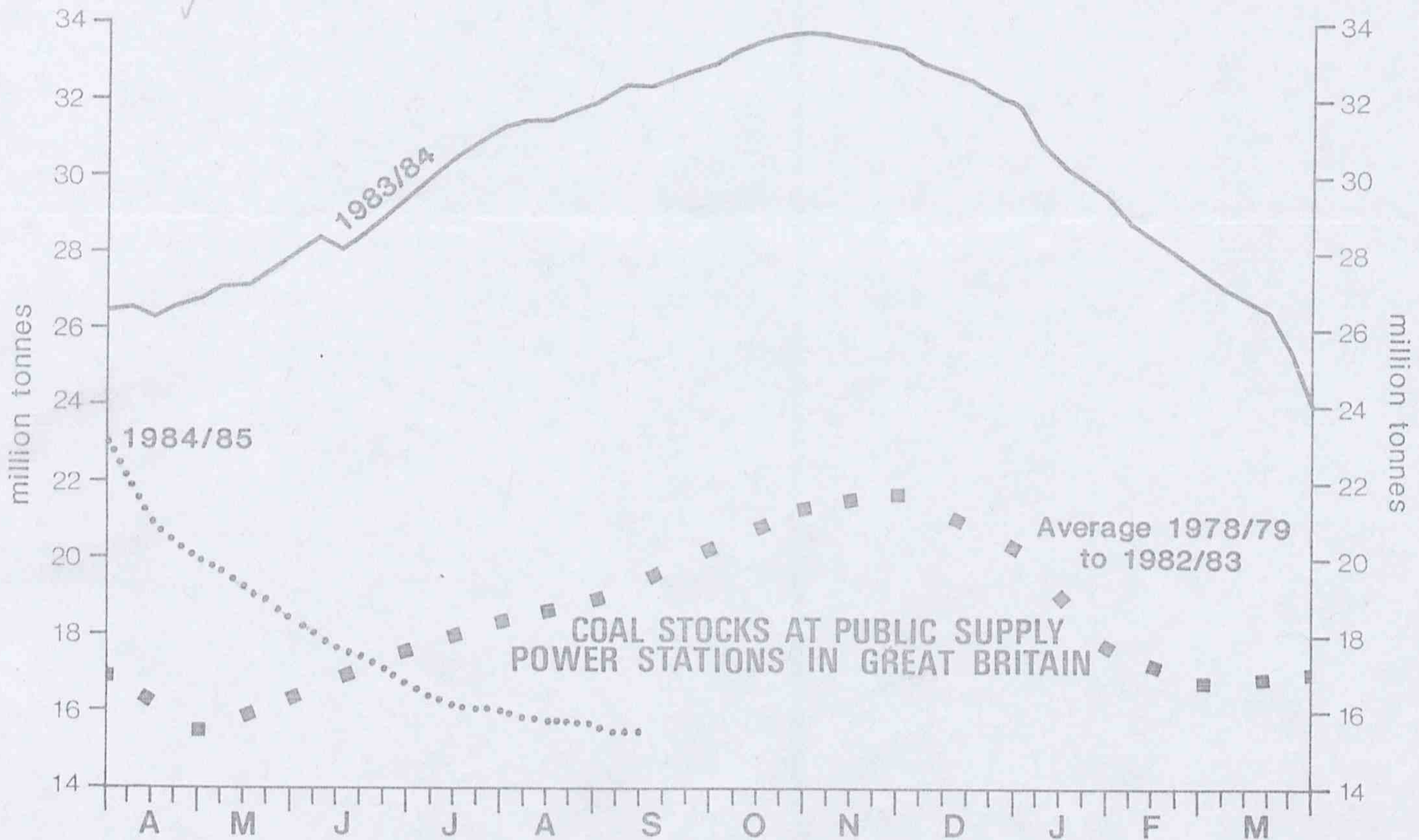
WEEKLY COAL AND POWER STATION STATISTICS (1)

EcS Division, Dept. of Energy, Thames House South, Millbank SW1P 4QJ. Phone: 01-211-6928

Week ending ..... 10.9.83: 18.8.84 25.8.84 1.9.84 8.9.84

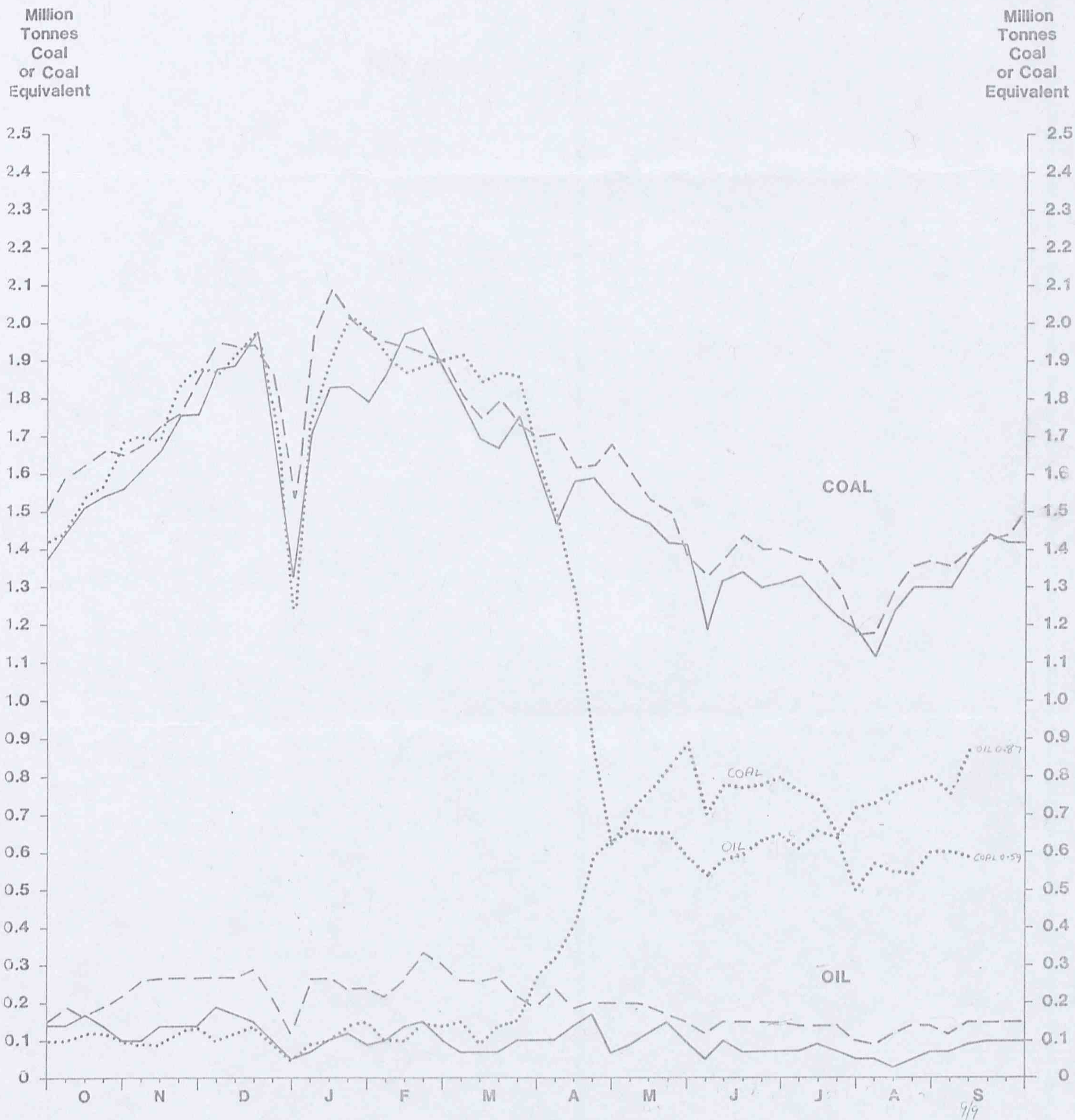
		(5)					
C O A L	PRODUCTION (m. tonnes)	deep mines †	1.81 :	0.46	0.47	0.29	0.50
		opencast †	0.33 :	0.31	0.28	0.25	0.30
		TOTAL	2.14 :	0.77	0.75	0.54	0.80
C O A L	PRODUCTIVITY(2) (tonnes/manshift)	'overall' o.m.s	2.43 :	..	..	..	..
		'production' o.m.s	10.41 :	..	..	..	..
UNDISTRIBUTED STOCK (m. tonnes)		TOTAL	23.66 :	22.48	22.53	22.52	22.66
S T A T I O N S	COAL STOCKS (m. tonnes)		32.50 :	15.62	15.53	15.33	15.33
	COAL CONSUMPTION	"	1.39 :	0.54	0.60	0.60	0.59
	COAL RECEIPTS	"	1.57 :	0.48	0.51	0.41	0.59
S T A T I O N S	OIL STOCKS(3)	"	1.30 :	0.83	1.08	1.18	1.32
	OIL CONSUMPTION(3)	"	0.05 :	0.46	0.47	0.44	0.51
	OIL RECEIPTS(3)	"	0.04 :	0.46	0.71	0.54	0.62
P O W E R	ELECTRICITY SUPPLIED (4) (Gwh)		:				
	Nuclear	"	675 :	793	701	741	714
	Other Steam	"	3,308 :	3,059	3,207	3,006	3,304
	TOTAL	"	3,983 :	3,852	3,908	3,747	4,018
	TOTAL - temperature corrected	"	3,894 :	3,921	4,119	3,893	..

(1) Great Britain unless otherwise stated. All latest figures are subject to revision.  
 (2) NCB mines only. (3) Oil-fired boilers only. (4) Steam stations only.  
 .. data not yet available. † includes licensed production. (5) includes summer bank holiday.



COAL CONSUMPTION AND OIL CONSUMPTION (OIL FIRED) AT  
PUBLIC SUPPLY POWER STATIONS IN GREAT BRITAIN

Key  
..... 10/83 to 9/84  
———— 10/82 to 9/83  
- - - - Average 1977/78 to 1981/82



PRIME MINISTER

JIMMY YOUNG SHOW: BRIEFING ON COAL

I attach your folder of source material but you may like to draw on the points below.

Where do we go from here?

Let us be clear about what the NCB has offered.

- On pay there is an increase which will keep miners substantially above average earnings.
- Every miner who wishes to remain a miner will be able to do so.
- The NCB, with Government help, is making available early retirement on terms which must be the envy of every other industry.
- There is a current and future investment programme in new capacity which dwarfs that in the rest of the coal industry in Europe put together.
- For the first time the NCB is establishing a new organisation to bring industry and jobs to the areas affected by pit closures.

This is an offer which other unions recognise is fair, even generous. There must be many people who find it incomprehensible that the NCB continue to refuse it.

What about a third party to bring the two sides together?

There has been no lack of negotiations.

12 days in all - and the Board has gone as far as is reasonable to secure a settlement with the NUM.

The outstanding issue is very simple. It is about whether loss-making pits can ever close. The NUM say "No Never". So long as there is coal to be mined no matter how much it costs to extract or whether there is a market for it they say that pit must remain open. In a country which has ample resources of coal which could be developed cheaply in modern, safe pits this demand is a nonsense.

This is a demand which is totally new. It has never been put forward before by the NUM or any of its leaders, nor has it been accepted by any previous government. The last Labour Government not only accepted the principle that uneconomic pits should close, they embodied the principle in legislation and saw such closures put into effect.

This demand is not like a pay claim, a difference about working practices or about redundancy terms where <sup>a mediator</sup> ~~an arbitrator~~ can try to find a package acceptable to the parties. It is a demand which is not arbitrable, which has no middle ground on which a mediator can operate. If conceded it would take away the Board's responsibility to manage the industry and give the NUM a direct line into the pockets of the taxpayer who are already contributing £1.3 billion a year.

#### How can it be settled then?

It can be settled if the NUM call a ballot and allow the men to express their view. They are the only third party who can be brought in. If the NUM leadership thought they had a good case they would call a ballot. One third of the miners have been allowed to ballot and voted two to one in favour of working; two-thirds have been prevented from expressing their view by manipulation and the union rule book and by violence and intimidation.



But what about mining communities?

- Firstly, nearly all those leaving the industry will be doing so on early retirement on favourable terms.

- Secondly, jobs cannot be preserved by keeping open uneconomic pits. Not only will this impede the development of new coal resources but will impose high energy costs and imperil jobs elsewhere in the economy.

- Thirdly, as we have seen in Wales, for example, it is possible to bring in new investment and new jobs if the right conditions for enterprise can be created. In addition, the existing regional incentives offered by the Government, the NCB has, for the first time, established an Enterprise Agency offering finance re-training and advice to help establish new businesses.

Support from other unions

I am delighted to see that good sense has prevailed in the docks and that workers there have declined to put their jobs and those of others in peril in support of the NUM's totally unreasonable demands.

But what about NACODs?

I understand that NACODs were worried about the procedures the NCB were asking them to observe when miners were going into work through heavy picket lines. The NCB have already met NACODs and it was thought that an agreement was reached. However, NACODs now appear to have had second thoughts and have called a ballot. In response to this the NCB has offered to hold a further meeting.

AT

18 September, 1984

SECRET

P.01389

PRIME MINISTER

MISC 101(84)41st Meeting

Since the dock strike has now been called off, you will probably want to deal very briefly first with the docks and then spend the bulk of the time on coal.

Docks

2. After a brief report from the Secretary of State for Transport confirming that the calling off of the strike has been put into effect, you will probably wish to concentrate on:

- i. the line to take by Ministers and the BSC about the arrangements at Hunterston;
- ii. the latest information about any post-strike legal actions against the TGWU.

Coal

3. After the usual reports on pits and miners working, coal movements and law and order, you will probably wish to concentrate on the following:

- i. continued speculation in the media about the role of ACAS;
- ii. the latest moves by the TUC (whose Finance and General Purposes Committee will be meeting on Thursday) and by the unions in the electricity supply industry;
- iii. a new assessment of the strategic options for putting pressure on the NUM and accelerating the return to work, eg:

SECRET

33



SECRET

- loss of coal faces  
(the Secretary of State for Energy promised to provide up to date information at MISC 101(84)38th Meeting on 10 September and we understand that he now has it)
- implementation of redundancies and pit closures;
- legal action;

iv. what action is in hand to avert a shortage of fuel for space heating (especially for industrial and commercial purposes) from October onwards (the Secretary of State for Energy promised to look into this at MISC 101(84)35th Meeting on 30 August and now has information available).

Next meeting

4. There will be the usual discussion under the Industrial Affairs item at Cabinet on 20 September. The next meeting of MISC 101 will be on Tuesday 25 September at 4.15pm.

*PLG*

P L GREGSON

18 September 1984

SECRET

010

File

~~32~~  
32

Daily Coal Report - Tuesday 18 September 1984

Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	(3)
(ii) Turning some coal	8	(1)
(iii) Some men present	17	-
(iv) On strike/picketed out	103	-

In Scotland Bilston Glen has returned from its rest day. 164 reported this morning - a new record.

In the North East both Wilkinson's are in at Easington. 16 reported at Wearmouth, despite action by the NUM to expel 3 men from the union. 1 NUM man and a clerk have reported at Ashington stores today for the first time. The single miner who reported at Dawdon pit yesterday is unlikely to work today: there are 400 pickets at the gate.

In Yorkshire 35 men have reported (Allerton Bywater - 5; Kellingley - 2; Gascoigne Wood - 1, elsewhere in Selby - 5; Yorkshire Main - 5; Carcroft - 1; Markham - 2; Brodsworth - 1; Kiveton Park - 8; Silverwood - 2, Brookhouse - 3).

In North Derby 226 men have reported at Bolsover, 160 at Shirebrook (a new record) and 150 at Warsop.

In Kent numbers have again risen slightly: there are 7 at Betteshanger and 25 at Tilmanstone.

Coal Movements

141,000 tonnes were moved yesterday - 9,000 tonnes up on last Monday, and 19,000 tonnes up on the previous Monday.

34 coal trains ran.

Law and Order

Picketing is light in Scotland. In the North East picketing is concentrated at Dawdon as mentioned above.

In Yorkshire 3600 pickets were reported to be at Kiveton Park, and at the time of writing there had been 12 arrests.

Industrial Relations

The Coal Board have sent a formal invitation to the pit supervisors union, NACODS, inviting them to a meeting next week. Meanwhile NACODS are pressing ahead with arrangements for their ballot on possible strike action.

The 3 working miners at Wearmouth who have been expelled from the NUM are reported to be considering whether to appeal to the NUM's national executive. As yet, there is no indication whether they will be taking any form of legal action.

In the near future, the power supply unions are to meet the NUM, under TUC auspices, to discuss possible support. Present indications suggest a range of opinion and it is not surprising that David Basnett said this morning that the unions were not aiming to black out Britain in support of the coal strike. As reported yesterday, John Lyons and Eric Hammond of the EETPU have already made their position clear.

Dock Strike

Proposals aimed at ending the dockers strike will be put to a delegate conference in London today. Department of Transport report that the prospects for a settlement seem reasonable.

Line to Take

The Coal Board has made a generous offer. It is time every miner was allowed to vote on this, in an atmosphere free from organised mob violence and intimidation.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, Tel: 211 6070

*Coal file*

17th September 1984

Prime Minister (2)

NACODS BALLOT PAPER

AT  
20/19

The question on the NACODS ballot paper is believed to read as follows:

"The NEC unanimously and strongly recommend strike action under Rule 21 on the following grounds and opposes:

1. The Board's cut-back in capacity.
2. The Board's attitude in the implementation of conciliation procedures.

and calls for the complete rejection of the Board's guidelines of August 15".

*ms*

PRIME MINISTER

MINERS' WIVES BACK TO WORK CAMPAIGN

BACKGROUND

Mrs Fjaelberg, Mrs McGibbon and Mrs Linton wrote to you to seek a meeting to discuss the coal dispute. We delayed such a meeting until the last phase of negotiations was completed but it has now been fixed for 1515 tomorrow.

Mrs Fjaelberg's group is part of nationwide network of similar groups. Hers was founded about 2 months ago with a view to encouraging the men to go back to work in spite of the intimidation and violence likely to be faced by wives and families. They intend to act as a mutual support group of wives, giving help to those who are suffering under the strain and exchanging practical ideas on how to face shared problems.

We have spoken to Mrs Fjaelberg and agreed that they will arrive without saying anything to the press. After the discussion, you will want to agree with them whether they wish the meeting to remain private or whether they wish to give publicity to it. If the latter you should warn them that they must expect some media attention. We can arrange it that they are on their way home before anything is made public. I think the decision must be left to them.

I attach a short note to be issued to the press which you could discuss with them. Bernard will be available to advise them.

Objectives

To hear at first hand the situation for miners and their families in the coal fields, to express support for



Local bus stores -

not going to bus number

Taxis — 5 by number  
not to bus stops  
—

Number - we have our rights.

Pidulig — outside home

Woburn - Stanton - Swade

↓.

130.

-30

— || Cur. Gather — || Middlemen

Local Management.

those who are courageously trying to secure a return to work, and to establish what contribution Government can make.

Points to Raise

- (i) What is the nature of the Miners' Wives Back to Work Campaign? Is it a network of local groups? Does it have a national organisation? How does it finance itself?
- (ii) How do the wives assess the mood of the men in South Wales and nationally? How strong is support for the strike and how likely is a significant return to work?
- (iii) What is life like for miners and their families? How extensive is violence and intimidation in South Wales? (As the strike has so far been total it is likely that Wales has been spared the worst of the intimidation but this can be expected to occur if a drift back to work is started.) How are families managing with their household bills?
- (iv) Have the group made contact with local NCB management to seek advice on the prospects for a return to work? Or with the Welsh Office?

Points they will raise

- (i) What advice can the Prime Minister give? In the first instance, you should advise them and their husbands to make contact with the local colliery management who can assess the chances of bringing men into work in some numbers and who can make arrangements for men wishing to go to work to be protected.

News Inspectorate

30% - fear  
Threat

Hand Areas. - notes

National Register

- J.V. South -

Totally disinterested

N.U.M. - Students do pay parents -  
do not make value

Plan

- (ii) What safeguards are there for men coming into work? It is the duty of the police which they will undoubtedly carry out to ensure that those wishing to go to their place of work will be able to do so. As can be seen from other parts of the country the police are prepared to deploy substantial resources to bring this about. In other areas where there has been intimidation special measures have been taken by the police. Additional foot patrols by uniformed officers have been established and plain clothes detectives have investigated allegations of intimidation. It is essential that families be prepared to report incidents to the police and provide them with the evidence to mount prosecutions.
- (iii) Is the NCB willing to offer transfers to other areas to miners who go back to work and whose lives after the strike become intolerable? The Board has given an assurance that any miner who loses his union card will not lose his job. It has not taken a policy decision on whether to give a guarantee of transfer to beleaguered families - it would be reluctant to create a situation in which the militants can demand the expulsion of moderate miners.

Mr. Walker suggests that you say you are sure the Board will be careful to look after those who have been loyal to it and that you will bring this question of transfers to the Board's attention.

*Duty Clerk.*

PP. ANDREW TURNBULL

17 September 1984

VSCAAG

N. U. M. - "stake bed"

Danger to life

Admission - stake beds  
Good pencils. God

Kent - Concerning God { Pen.  
P. W.  
Instruct }

Coal merchants - Admittants getting coal  
"The Cowley Shore"

39 men parked - still  
on NCB property.

Chambers - <sup>money to</sup> minutes ~~pay~~ ~~money~~

Hoare 999            Ted Xch

Kent 100            2600

19 → 16

DRAFT STATEMENT

In response to a request from the Miners' Wives Back to Work Campaign, the Prime Minister today met Mrs Fjaelberg, Mrs McGibbon and Mrs Linton who had asked to see her. They told the Prime Minister the difficulties being faced by miners and their families and gave her a report of the efforts they and their husbands were making to bring the dispute to an end. The Prime Minister expressed her understanding of the problems faced by their families and gave her full support to their efforts to secure a return to work.

Local Management here  
compared to men  
from working.

---

The Island - went to most homes  
to dissuade them.

---

"Have ropes cut" - no surface work

Travel to other pits

Have C. B. red obs.

Food parcels - nutrients

Therapy - Group - Working on fields

Not going to work in industry

---

Paul<sup>51</sup> - came into home in March

DRAFT STATEMENT

In response to a request from the Miners' Wives Back to Work Campaign, the Prime Minister today met Mrs Fjaelberg, Mrs McGibbon and Mrs Linton who had asked to see her [to discuss the coal dispute]. They <sup>told</sup> ~~discussed with~~ the Prime Minister the difficulties being faced by miners and their families and gave her a report of the efforts they and their husbands were making to bring the dispute to an end. The Prime Minister expressed her <sup>understanding of the problems faced by the</sup> ~~sympathy for~~ their families and gave her full support to their efforts to secure a return to work.



<sup>ensue</sup>  
This ~~means that~~ there will closures of capacity where the  
high cost of production ~~means that~~ <sup>in</sup> the collieries concerned  
~~bring~~ have no benefit to the industry in its objective of obtaining  
low cost production.

With the agreement that such pits should be closed it  
is anticipated that the change in capacity envisaged in  
our proposals of 6 March will now not be completed in this  
financial year but will be achieved over <sup>probably</sup> the coming  
12 months.

The NCB and the NUM have examined the current situation in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On 6 March the NCB put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individuals areas.

2. The following collieries referred to specifically by the NUM namely (a) Polmize (b) Herrington (c) Corton Wood (d) Bullcliffe Wood and (e) Snowdown will continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under Section 3 below.

3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply;

(a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties ie safety again in line with the principles of the Plan for Coal will be closed by joint agreement.

(c) The NCB and the NUM agree that where a comprehensive and in depth investigation by their respective mining engineers shows that a colliery has no further mineable

reserves that are workable and which can be beneficially developed such a colliery shall be deemed exhausted.

4. On the basis of the above arrangements the NCB and the unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing the developing and expanding coal industry equipped to meet future energy requirements.

# Concessions by NCB in talks

BY PHILIP BASSETT, LABOUR CORRESPONDENT

DRAFT agreements on pit closures put forward by each side in secret talks between the National Coal Board and the National Union of Mineworkers show significant concessions by the NCB—but also differences between the two parties which will require hard negotiating to resolve.

Texts of the agreements, released last night and published below, show how constructive has been the latest round of talks, compared to previous often bitter exchanges in earlier negotiations.

The board agrees that its proposals of March 6, calling for 4m tonnes less capacity in the industry, implying a loss of 20 pits and 20,000 jobs, will be revised, to take account of different market conditions and the loss of output from the strikes.

The NCB has agreed to reconsider pits, including Cortonwood in Yorkshire and Polmaise in Scotland which it said would close.

These are significant concessions, which for its part, on the evidence of the texts, the NUM has not yet matched. Mr Ned Smith, the NCB's industrial relations director, said last night the differences between the two sides are more than semantic—but even the NCB's wording on the definition of an

uneconomic pit allows the NUM considerable scope for argument at local level.

There are three main differences between the proposed agreements:

● The NUM wants the NCB to "withdraw" the March 9 pit closure programme. The NCB will only go as far as saying it will "re-examine" these proposals.

● The NUM is pressing that the five collieries listed by each side "will be kept open;" the NCB say that they "will be the subject of further consideration."

● While both sides agree on the key phrase, "further mineable reserves" as part of the definition of an uneconomic pit, to be found by a joint investigation by mining engineers, they differ sharply on the further definition of what that means.

The NUM says such reserves should be those which are "workable or which can be developed," while the NCB wants the word "beneficially—a substitute for 'economically'—inserted.

This is the crux of the argument—and despite the optimism from many of the parties yesterday, it is still there, still unresolved, still substantially unconceded by the NUM.

## NUM DRAFT AGREEMENT:

THE National Coal Board and the National Union of Mineworkers have examined the current situation in an effort to resolve the present dispute and provide a basis for the future of the industry. Consequently, it is agreed that:

1—In light of the changed circumstances, the board has reconsidered its proposals announced on March 6 and agrees to withdraw the programme of pit closures contained therein. Any future decisions relating to collieries will be dealt with in accordance with the guidelines below.

2—In order to establish more clearly the parameters for exhaustion of reserves in line with the Plan For Coal, the following categories and procedures will apply:

(a) Collieries which are deemed exhausted in line with the Plan For Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties, i.e.,

safety, will, again in line with the Plan For Coal, be closed by joint agreement.

(c) Where a comprehensive and in-depth investigation by the board and union's respective mining engineers shows that a colliery has no further mineable reserves that are workable or which can be developed: there will be agreement between the board and union that such a colliery shall be deemed exhausted.

3—In accordance with the above procedures, the following collieries currently under discussion will be kept open in line with the union's submissions: (a) Polmaise; (b) Herrington; (c) Cortonwood; (d) Bulcliffe Wood; (e) Snowdown.

4—On the basis of the above arrangements which will establish a developing and expanding coal industry to meet future energy requirements, the board and mining unions will jointly discuss the Plan For Coal and any proposed revisions.

## NCB DRAFT AGREEMENT:

THE NCB and the NUM have examined the current situation, in an effort to resolve the present dispute and provide a basis for the future of the industry. Consequently, it is agreed that:

1—In the light of the changed circumstances the board will revise the March 6 proposals and re-examine those proposals for individual areas, taking account of the changes that have occurred in the needs of the market and the loss of output resulting from the dispute.

2—The following collieries referred to specifically by the NUM—namely (a) Polmaise, (b) Herrington, (c) Cortonwood, (d) Bulcliffe Wood, (e) Snowdown will be the subject of further consideration.

3—In order to establish more clearly the parameters in respect of exhaustion of reserves—in line with principles of the Plan For Coal—it is agreed that in the future the following categories and procedures will apply:

(a) Collieries which are

exhausted in line with the principles set out in the Plan For Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties, i.e., safety, again in line with the principles of the Plan For Coal, will be closed by joint agreement.

(c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable or which can be beneficially developed, there will be a joint agreement between the board and union that such a colliery shall be deemed exhausted.

4—On the basis of the above arrangements the board and the unions will jointly discuss the Plan For Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing and developing an expanding coal industry equipped to meet future energy requirements.

Misc 101 folder

30

u/p

SECRETARY OF STATE FOR ENERGY  
10, WHITE HALL, LONDON, E.C. 4  
MILITARY TELEPHONE: 401  
01 211 6402

The Rt Hon Patrick Jenkin MP  
Secretary of State for the Environment  
2 Marsham Street  
LONDON  
SW1P 3EB

17 September 1984

*R. Baber*  
OPENCAST COAL SITE AT SPRINGHILL STAFFORDSHIRE

Thank you for your letter of 6 September and for Ian Gow's of 28 August, to which this also replies. You are of course aware that a heating has occurred in the coal stocked at the Springhill Disposal Point, as a result of which NCB have now started to move some coal from the site.

However, I feel we must pursue urgently the further options for action open to the NCB in two situations - Springhill itself and other coal stocking sites from which coal cannot currently be moved because planning consent is limited to rail transport. The possibility of enforcement action by Staffordshire in relation to Springhill seems relatively unlikely while the hot coals are being removed, but the Board must be in a position to remove coal from the site whether or not there is a continuing emergency from heating. I would also emphasise that in all cases the Board is seeking permission to remove coal by road only on a temporary basis, ie there is no question of disregarding previous planning conditions for all time.

Ian's letter raised again the question of seeking a declaratory order from the Courts. The latest circumstances have however enabled the NCB to act directly, in line with the reference to emergency in the particular planning condition. I understand that there is no similar reference to emergency in planning conditions affecting other sites from which the Board may wish to move coal. This option need not therefore be considered further.

Your letter of 6 September took up Michael Havers' view that you could simply determine the disagreement between Staffordshire and the NCB within the terms of the planning consent. I note however that your position has shifted in that you are now requiring a further exchange of letters between NCB and Staffordshire to establish that there is indeed disagreement over the proposed removal of 15,000 tonnes per week. Clearly if Staffordshire disagreed with the original proposition for moving 1,000 tonnes per week they could not be expected to agree with the latest suggestion for the greater quantity. I would strongly suggest that any further exchange of letters is superfluous.

I raise this point because it does seem to me that, in parallel with NCB's removal of the hot coals under the emergency clause of the planning consent, the Board should now seek your determination of the disagreement between themselves and Staffordshire on the wider question of removal of coal by road from Springhill for as long as the dispute continues. Before inviting the Board to write to you, however, I would like your urgent agreement that you will now entertain an application for such a determination from the Board and that no further exchange of letters is required between the Board and the Council.

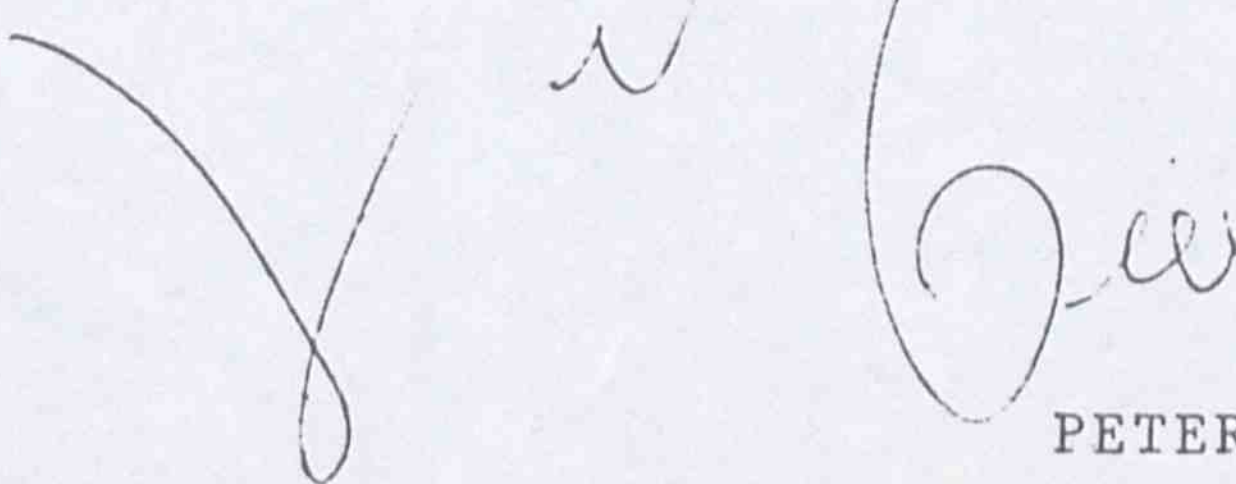
You commented on the likely outcome of any hearing and the possibly good planning reasons for having restricted transport to rail originally. These comments can however only be speculative. Removal by rail may indeed be a far preferable method but it does not follow that removal by road would be totally unbearable. I am not therefore convinced that any inspector, bearing in mind that the Board would be seeking only a temporary waiver in a particular situation, would necessarily find against them.

I am also concerned that there has been no follow up to the recent Ministerial meeting which invited the Attorney in consultation with us to reconsider ways in which coal could be moved in such circumstances without need for public inquiry. We need to pursue this issue since Springhill is not the only site affected by the lack of rail transport, though it is the only one to which the particular planning condition applies. My legal advisers would for example take the view that where a planning consent simply states "that transport shall be by rail", the only way of changing that condition rapidly would be by use of section 49(4) of the Opencast Coal Act. As I understand Michael Havers' advice, this was that use of that power in controversial cases carried too high a risk of challenge to be attempted. By implication however, where a local authority agreed the change and clearly would not challenge the use of the power, use of Section 49(4) powers could still be acceptable. Since 8-10 sites could be affected by our decision on this point, I should be glad to know if you agree.

Another option would of course be for the NCB simply to contravene the planning condition and to go in and get the coal. The Board would have to be prepared to appeal against any enforcement notice on grounds that the condition should be discharged or modified - in which case the usual appeals procedure would come into force. It is also quite likely that a stop notice would be issued, since the authorities would not face the risk of paying compensation in these cases. The principal objective, ie removal of the coal, could thus easily be thwarted.

I must repeat that the heating at Springhill should not hold up our consideration of the complex legal issues arising in cases of this kind. There are others we may need to consider in the near future.

I am copying this letter to the Prime Minister, Michael Havers and Ian Gow.



PETER WALKER



PM. West  
from Release

File

10 DOWNING STREET

mb

From the Private Secretary

Prime Minister ①

Attached is the NCB Press Notice. On balance we are better off not having the NCB's formula accepted, though it is no worse than any of the five that went before it.

In his radio presentation to MacGregor stressed his readiness to brief the TUC on the course of the negotiations.

The Chancellor dislikes the wording of the Department's line to take an investment. I have spoken to Mr Walker's office to urge more caution, with greater emphasis on the record and less on future commitments. The NCB's wording is better, using the 1984-85 figure as an illustration.

Thames on mb

Daily Coal Report - Monday 17 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	3
(ii) Turning some coal	7	2
(iii) Some men present	16	1
(iv) On strike/picketed out	103	-

No change since last week, except that holiday periods at a number of strike-bound pits in Yorkshire have now finished. But 4 Warwickshire pits are now on holiday.

In Scotland there is an official rest day at Bilston Glen, though 104 men (the number required) have reported to provide safety cover. Attendances elsewhere are as last week.

In the North East both Wilkinsons are in at Easington. There are 17 men at Wearmouth (up 2 from Friday), despite 200 pickets.

31 men have reported in Yorkshire (up 2 from last Monday). In North Derbyshire 231 reported at Bolsover (up 9 on last Monday), 155 at Shirebrook (up 3) and 151 at Warsop (down 7, but within today's total are 8 men who have reported back for the first time.)

In Kent there are now 7 at Betshanger, and 23 at Tilmanstone.

There are again good attendances in Nottinghamshire, Lancashire and Staffordshire.

Coal Movements

In total 828,830 tonnes were moved last week, of which 600,800 went to the CEGB



SECRET AND PERSONAL

On Friday 42 coal trains ran.

Also on Friday a further 970 tonnes were transported by road to BSC Scunthorpe.

Law and Order

At the time of writing picketing is reported to be fairly light, though there are 1,000 pickets at Yorkshire Main.

Industrial Relations

Leaders of the 9 power industry unions are meeting in London today to discuss the TUC's call for support for the NUM. John Lyons and Eric Hammond, the leaders of the 2 main unions, have already made clear their opposition to any action which could stop the power stations.

NCB/NUM Negotiations

The Secretary of State for Energy will report on latest developments and prospects at this afternoon's meeting of MISC 101.

SECRET AND PERSONAL



SECRET

P.01385

PRIME MINISTER

MISC 101(84)40th Meeting

You will wish to deal first with coal and then with the docks.

Coal

2. After the usual reports on the number of pits and miners working, the extent of picketing, and coal movements, you will probably wish to concentrate discussion on the following:

i. the latest position in the NCB/NUM talks and the handling of the outcome;

ii. the prospects for the ballot on 26 September by the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS);

- is there any evidence about ranks and file opinion among the deputies?



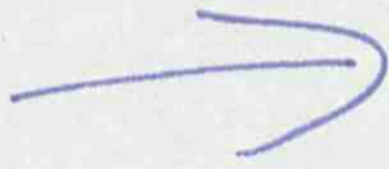
- what is the NCB doing to try and promote a favourable ballot result?

See Policy Unit note on endorsement



iii. the prospects for sympathetic action by other unions, particularly at the power stations;

(several important union meetings are being held around this time)



iv. up-to-date information about the loss of coal faces; (the Secretary of State for Energy promised to provide up-to-date information at MISC 101(84)38th Meeting on 10 September)



v. what action is in hand to avert a shortage of fuel for space heating (especially for industrial and commercial purposes) from October onwards?

(the Secretary of State for Energy promised to look into this at MISC 101(84)35th Meeting on 30 August)

SECRET



SECRET

- vi. civil action in the courts;
  - are there any developments on the various actions by working miners?
  - if the talks break down, should action against the NUM be re-considered as a strategic option?

Docks

3. After the usual report on the number of ports and dockers working you will probably wish to concentrate discussion on:

i. the latest position on the attempts to settle the dispute by agreeing on delivery levels for Ravenscraig;

ii. civil action in the courts;  
(the latest intentions of the Port of London Authority, P & O and others)

iii. the CBI survey and possible press conference on the effects of the strike;  
(at MISC 101(84)39th Meeting on 12 September the Secretary of State for Trade and Industry said that he would be given the results of the survey on Monday and this would enable the Group to assess the advantages and disadvantages of the press conference envisaged for Wednesday).

Next meeting

4. The next meeting of the Group has been provisionally arranged for Wednesday 19 September at 2.30pm.

*PLG*

P L GREGSON

14 September 1984



10 DOWNING STREET

*From the Private Secretary*

Prime Minister

"Paves cuts by November" was  
repeated on the 5 o'clock news (BBC)  
MISC 101 should consider how to  
counter this without betraying  
information helpful to the unions.

AT

14(9)

SECRET

Copy No 1 of 4



MISC 101

27

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 6402

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

14 September 1984

*Dear Andrew*

POWER STATION ENDURANCE

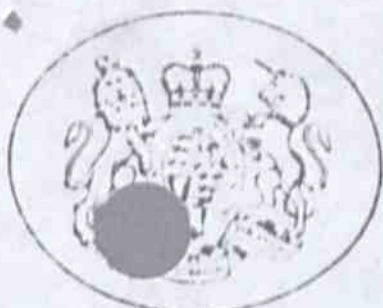
I attach the latest report on endurance,  
which shows a most encouraging improvement  
on the performance of the previous weeks.

Copies also go to Margaret O'Mara and  
Richard Hatfield.

*Yours  
John.*

J S NEILSON  
Private Secretary

SECRET



## POWER STATION ENDURANCE

1. Coal deliveries to CEGB power stations last week were 0.59 mt (including non-NCB sources), the best achieved since last March. Coal burn was 0.58 mt giving a stockbuild of 0.01 mt. This is the first week of the strike in which CEGB stocks have increased. The Board's coal stocks last Sunday night (9 September) were 14.4 mt with a further 0.9 mt at Scottish power stations.
2. Total NCB deliveries last week were about 0.73 mt, of which about 0.18 mt went to customers other than power stations.
3. The average rate of coal deliveries to CEGB power stations over the whole period of the strike has been 0.44 mt per week. The average over the past 8 weeks has been 0.48 mt.
4. The range of endurance outcomes as estimated by the CEGB remains:

<u>Average coal deliveries</u>	<u>Oil burn (% of maximum)</u>	
	<u>90%</u>	<u>100%</u>
0.30 mt/week	early Jan	late Jan
0.35	mid Jan	early Feb
0.40	late Jan	late Feb
0.45	mid Feb	early March
between 0.45 and 0.52	-	(see Note)
above 0.52	-	Autumn 1985

NB: Between 0.45 and 0.52 mt/week it is particularly difficult to forecast endurance with confidence. The margin needed to extend endurance from Spring (March/April) throughout the Summer is small, as Sir Walter Marshall has explained.

Department of Energy  
13 September 1984

14.9.84

MINeworkERS' DISPUTE

Talks Break Down

~~SECRET~~

The NCB regret that, despite further lengthy discussions, they have been unable to reach agreement with the NUM to bring the dispute to a conclusion.

The Board made proposals to clarify their construction of Clause 3(c) of the Board's discussion document of July 18th in an attempt to obtain the acceptance of the Clause by the NUM.

In a draft Joint Agreed Note which the Board tabled, they gave a specific assurance that Clause 3(c) did not imply a new policy and programme with regard to uneconomic capacity. It explained that it was the Board's intention on resumption of normal working that the previous practices adopted in the industry with regard to consultation and colliery closures should be maintained.

This assurance, together with the undertakings previously given by the Board in Paragraphs 1 and 2 of the Discussion Document, were, in the Board's view, a basis for a reasonable settlement and an immediate resumption of work.

The NUM turned down the Board's proposals and reiterated their policy that closures could only take place on the grounds of exhaustion or for safety reasons.

The NUM tabled amendments to the Board's note on Clause 3(c) which simply reiterated the stand which they have taken throughout the dispute.

/cont.....

In a further attempt to reach a settlement, the Board then tabled a wholly revised Clause 3(c) which eliminated the use of the word "beneficially" but proposed that pits should be deemed exhausted where, following examination by their respective mining engineers, further investment of human and financial resources could not be justified.

This attempt was also rejected by the NUM. They proposed an alternative which was unacceptable to the NCB.

After further lengthy discussions the Board tabled another alternative Clause 3(c) late on Wednesday night.

The NUM responded with another version.

At that stage paragraph 1 of the alternative Clause 3(c) was agreed and the outstanding difference was the use of the word "satisfactory" or "acceptable" in relation to continuing operations at collieries under review.

In the early hours of Thursday it was agreed to adjourn.

In resumption of the talks today (Friday) the NUM said they now reneged on their previous agreement with paragraph 1. The Board said: "That paragraph must still stand". The parties had reached agreement on that paragraph and that it had remained as written through several sessions and redrafts.

Further discussion then took place on the second paragraph and the Board proposed another form of words to try to reach agreement, but without success.

/cont....



The parties agreed mutually that no further progress could be made and the talks were adjourned without fixing a date for their resumption

The Board believe that the inability of the NUM to negotiate a settlement despite all the efforts made by the Board is the continuing cause of the dispute.

The dispute is quite unnecessary, bearing in mind the assurance given repeatedly during the discussions by the Board with regard to colliery closures, and the following assurances given to all employed in the industry:-

1. A stable industry with a minimum of 100m tonnes with the prospect of expansion as the market opportunities arise;
2. No compulsory redundancies;
3. Every man who wants to stay in the industry will be offered another job plus substantial transfer payments and resettlement allowances if he is affected by a closure;
4. Improved terms under the Redundant Mineworkers' Payments Scheme;
5. 5.2% wage offer on grade rates from 1st November, 1983;
6. Continued high investment - between £700m. and £800M. was planned in 1984/85.

/cont.....

The NCB will do all they can to inform their employees of the conditions on which the industry can return to work.

The Board believe that it is now time for the mineworkers to make their views known. They have been denied the opportunity for far too long. All the pits are open for work.

Press Office (1912)  
September 14th, 1984

16

16

AMENDED CLAUSE 3(C)

It is agreed that since the advent of Plan for Coal there have been colliery closures which do not fall within the definitions of exhaustion or safety, and in accordance with the principles of the Plan it is acknowledged that this procedure will continue to apply.

In the case of a colliery where a report of an examination by the respective NCB and NUM qualified mining engineers establishes there are no further reserves which can be developed to provide the Board, in line with their responsibilities, with a basis for continuing operations there will be agreement between the Board and the Union that such a colliery will be deemed exhausted.

NCB/14.9.84

PERSONAL AND CONFIDENTIAL

01 211 7214

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

14 September 1984

*Dear Andrew*

COAL NEGOTIATIONS

I attach the two versions of Clause 3 which  
we discussed this morning.

*Yours sincerely  
M F Reidy*

M F REIDY  
Private Secretary

PERSONAL AND CONFIDENTIAL

Presented by NCB  
2.34 am 13/9/84

AMENDED CLAUSE 3(C)

It is agreed that since the advent of Plan for Coal there have been colliery closures which do not fall within the definitions of exhaustion or safety, and in accordance with the principles of the Plan it is acknowledged that this procedure will continue to apply.

It is agreed between the Board and the Union that in the case of a colliery where a report of an examination by the respective NCB and NUM qualified mining engineers establishes that there are no further reserves which can be developed to provide an acceptable basis to the Board for continuing operation, such a colliery shall then be deemed to be exhausted.

NCB/13.9.84

AMENDED CLAUSE 3(C)

It is agreed that since the advent of Plan For Coal there have been colliery closures which do not fall within the definitions of exhaustion or safety, and in accordance with the principles of the Plan it is acknowledged that this procedure will continue to apply.

In the case of a colliery where a report of an examination by the respective I.C.C. and I.M.M. qualified mining engineers establishes there are no further reserves which can be developed to provide the Board in line with Plan For Coal with a basis for continuing operations there will be agreement between the Board and the Union that such a colliery will be deemed exhausted.

13.9.84

PERSONAL AND CONFIDENTIAL

01 211 7214

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

12 September 1984

*Dear Andrew*

When Mr MacGregor called on my Secretary of State this morning he handed over a folder of various papers tabled by both sides in the last two days of negotiations. My Secretary of State thought the Prime Minister would wish to see these. The top paper - marked X for ease of reference - is the alternative to clause 3C which the Coal Board put on the table yesterday afternoon. Immediately below it - marked Y - is the counter version which the NUM proposed 1½ hours later.

*Yours sincerely*  
*M F Reidy*

M F REIDY  
Private Secretary

PERSONAL AND CONFIDENTIAL

Presented by NCB

4/9/74

Amended Clause 3(c)

It is agreed that pits may be closed for reasons other than exhaustion or safety. Included in this category and deemed to be exhausted are pits where a report of an examination by the respective NCB and NUM qualified mining engineers does not provide the NCB with a basis for continued operations which constitute a responsible use of human or financial resources.

(X)



Presented by NUM

11/9/74

REVISED CLAUSE 3(C)

It is agreed that since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in (A) and (B) above, and in accordance with the Plan, this procedure will continue to apply.

=

included in this category and deemed to be exhausted are pits where a report of an examination by the respective MCB and NUM mining engineers shows there are no further mineable reserves and does not provide a basis for continued operations.

'Y'

Tuesday, 11 September, 1964

Presented by NUT  
9 Nov 11/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

PLAN FOR COAL - CLAUSE 3(C)

The parties reaffirm their commitment to Plan for Coal.  
It is acknowledged that there is no new policy or programme  
regarding pit closures.

Since the advent of Plan for Coal, there have been closures  
which do not fall within the definitions contained in  
Clause 3 (A) and 3 (B), and the procedures in operation  
regarding pit closures prior to the dispute will continue to  
apply in line with Plan for Coal.

Collieries have been closed for reasons other than exhaustion  
or severe geological difficulties, i.e. safety, and Clause 3(C)  
is intended to cover such circumstances.

Tuesday, 11 September, 1984

Presented by [unclear]  
8.15 pm 10/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note ~~could~~ be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984

JOINT AGREED NOTE - CLAUSE 3(C)

The parties reaffirm their commitment to Plan For Coal, confirming that there is no new policy or programme regarding pit closures and that procedures in line with Plan For Coal continue to apply.

C Since the advent of Plan For Coal, there have been closures which do not fall within the definitions contained in Clause 3(A) and 3(B). In addition to closures which occur under 3(A) and 3(B), it is accepted that there may be a small parcel of coal in a colliery which could not be worked or developed.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(C) is intended to cover such circumstances.

Monday, 10 September, 1984

Presented by (MUR)  
S 10pm 10/9/84

Acceptable to IG  
NCB

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984

NOTE

C  
Definition of a colliery exhausted in accordance with  
Category 3(C) would be:-

where a colliery containing a small parcel of coal only  
(sufficient for a few months' life) requires extensive  
development over many months and the transfer of the  
workforce to another colliery in the interim period,  
such a colliery will be deemed exhausted.

Monday, 10 September, 1984

Presented by NCB

10/9/84

Draft Agreed Note to NCB Discussion Paper

In addition to closures which occur under Paragraph 3(a) and (b) above, it is agreed that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

It is accepted that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.



Presented by NCB

10/9/84

Plan for Coal recognised that, "inevitably, some pits will have to close as their useful economic reserves of coal are depleted".

The parties reaffirm their commitment to the principles of Plan for Coal. It is acknowledged that there is no new policy or programme regarding pit closures.

Since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in Clause 3(a) and 3(b) and the procedures hitherto practised before the dispute with regard to such pit closures will continue to apply.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(c) as set out in the NCB's Discussion Document is intended to cover such circumstances.

10/9/74

In an effort to resolve this serious and long running dispute, the Coal Board's consistent attitude has been that we would always be willing to consider any constructive alternative effort to meet the Coal Board's needs with regard to Paragraph 3(c).

I am afraid that we cannot see how your revised joint agreed note advances the situation. Certainly it is not a substitute to the inclusion of the word 'beneficial' in Paragraph 3(c).

Our attempt at a joint agreed note was to clarify the construction which the Board placed on 3(c) in order to help you in your acceptance of that category.

Your <sup>addition</sup> ~~addition~~ offers no clarification for the third paragraph. If we are to make progress, bearing in mind the movement that the Board has already made to you in the earlier paragraphs of <sup>our</sup> the discussion document, then we must expect you to move towards a definition of a third category which would cover a wider generality <sup>range of situations</sup> than the form of presentation that you repeatedly make.

I repeat, it is the Board's intention to try to persuade you that we wish to resume the previous practice of colliery closures within the Review Procedure. If you can meet us to clarify that, it would be helpful.

Footnote to Paragraph 3

In addition to closures which occur under paragraph 3(a) and 3(b) above, the NUM accept that there are certain deposits of coal which couldn't be feasibly worked. [However, the NUM do not accept the inclusion of the word "beneficially" in paragraph 3(c) as a means of defining such collieries.]

The NCF having responsibility for the efficient operation of the industry will make production decisions regarding collieries taking into account the interests of employees, customers and the community as a whole following the recognised consultation procedures.

Presented by NCB  
10/9/84

In addition to closures which occur under Paragraph 3(a) and (b) above, the NUM accept that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

The Board has declared on a number of occasions that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.

NCS PROPOSED DISCUSSION DOCUMENT 18-7-84

The NCE and the NUM have continued the current discussions, in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On March 6th the NCE put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individual Areas.
2. The following collieries referred to specifically by the NUM - namely

- (a) Polmaise
- (b) Herrington
- (c) Cortonwood
- (d) Bullcliffe Wood
- (e) Snowdown

will continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under section 3 below.

3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply:-

- (a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.
- (b) Collieries facing severe geological difficulties, i.e. safety, again in line with the principles of the Plan for Coal, will be closed by joint agreement.
- (c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable and which can be beneficially developed, such a colliery shall be deemed exhausted.

- 4. On the basis of the above arrangements the Board and the Unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing a developing and expanding coal industry equipped to meet future energy requirements.



Subject to change at time

Nat Ind Coal A12

of delivery 1

Dr Jeremy Bray MP  
House of Commons  
London SW1A 0AA

Telephone: 01-219 3000 (switchboard)  
01-219 4000 (direct line)

PRESS STATEMENT

DR JEREMY BRAY MP

MP for Motherwell South

Friday, 14 September 1984

Release time 11 am

File

Thanks to the good offices of my colleague John Prescott a meeting was arranged between Ravenscraig and TGWU officers and stewards on Wednesday, 12 September. In my presence on Wednesday morning Mr Alan Johnson (Deputy to Mr Dunbar, Works Director) and Mr Ron Mercer (Iron Works Manager) proposed to Ravenscraig stewards that with present coal stocks they should suggest restricting deliveries of coal to Ravenscraig to 16,000 tons increasing fortnightly to 18,000 tons, then 20,000 tons, until it reached and remained at 22,500 tons for the duration of the miners' strike. I suggested that since no one was suggesting 16,000 tons, deliveries should be at 18,000 tons for 4 weeks, then increase to 20,000 tons and then to 22,500 tons. Mr Johnson and Mr Mercer accepted this was an equivalent proposal.

This proposal was put to and agreed with the TGWU Scottish docks representatives and on Wednesday in time for ratification by the Ravenscraig Joint Works Committee on Thursday, 13 September, and for

consideration by the TGWU national docks committee today, Friday 14 September. It was agreed that public reference should only be made to 18,000 tons for four weeks, with the subsequent revision not made public. A return to work at Hunterston was recommended on the basis of custom and practice as understood by the TGWU and ISTC before the dispute.

When on Thursday morning Ravenscraig management were informed they congratulated Ravenscraig stewards on the arrangement. Mr Dunbar said he would make no public reference to 22,500 tons until after Friday. It remained only for the TGWU to discuss with the Clyde Port Authority the manning of the tugs and mooring boats on which no departure was to be sought from previous practice.

In the event on Thursday afternoon Mr Dunbar of BSC attended the meeting between the Clyde Port Authority and the TGWU. He insisted that the TGWU representatives accepted that the 22,500 tons a week was the Ravenscraig requirement before discussing the manning questions. Mr Hardie of the TGWU said that this was not for him to say. Nor was this the purpose of the meeting. BSC could have obtained any assurance they sought from an appropriate meeting with TGWU and their own union representatives.

After the meeting was adjourned yesterday, Mr Dunbar made a press statement insisting on 22,500 tons. I telephoned Mr Dunbar to ask why he had departed from the agreed formula. He had no adequate explanation. I was unable to contact Mr Haslam, Chairman



of BSC, so I spoke to Mr Tebbitt's private secretary, asking that BSC should make a further statement in time to save the arrangements to be proposed to today's meeting of the TGWU Dock Committee. I said Mr Dunbar seemed to have acted on his own initiative and needed guidance on the national interest. Mr Tebbitt's secretary assured me that Mr Haslam had kept in touch hourly with them during the day. Mr Haslam told the Minister's private office that he had instructed his people at Ravenscraig to take a firm line. I asked to speak to Mr Haslam or Mr Tebbitt last night, but had no response.

The appearance to the Ravenscraig workers of duplicity on the part of Ravenscraig management privately proposing and accepting an arrangement and the publicly rejecting it, can still be corrected. It has placed the Ravenscraig trade union representatives in an impossible position which they are having to consider.

If BSC does not accept the arrangement it privately proposed, Mr Haslam and Mr Tebbitt will have deliberately sabotaged the basis for a settlement of the dock strike, and destroyed the trust necessary between management and workers at Ravenscraig.

END OF STATEMENT

Next page : Background information

## BACKGROUND INFORMATION

14 September 198

to Press Statement by Dr Jeremy Bray  
MP for Motherwell South

At an early stage in the miner's stike I met Mr Haslam, Chairman of BSC by chance. I said he seemd to be leaving his local management to look after Ravenscraig and they were doing well. He said, "Yes, that is the right way to do it." So I said that I would continue to deal with them directly and not through him. I have kept in close touch with the management and trade union representatives at Ravenscraig throughout.

I was present on two occasions when Mr Dunbar, Works Director, and Mr. Mercer, Iron Works Director, explained to shop stewards the need for 14 or 15 train loads or 18,000 tons per week as the minimum coal supply needed for the safe operation of coke ovens and blast furnaces.

Steady operation at these levels however was found to cause problems. Mr Dunbar assured me that the 70 ton scab formation on one blast furnace had nothing to do with the low level of operation, but its removal required a higher level of carbon input and iron output for a few days.

In later talks with the Clyde Port authority and the TGWU on the berthing of the OSTIA at Hunterston, when Mr Wyper of the TGWU

offered 18,000 tons of coal per week from Hunterston, Mr Dunbar said experience had shown 22,500 tons was necessary. This Mr Wyper could not accept.

As Ravenscraig had to get the coal, I supported the berthing of the OSTIA. Since however the consequence was a national dock strike, I urged on Mr Dunbar and trade union representatives at Ravenscraig their responsibility in the interests of British industry as a whole, to offer any reasonable understanding with the TGWU which would settle the original issue and resolve the dock strike.

Since difficulties had arisen in estimating the inherently unpredictable requirements of blast furnaces I suggested that all restrictions on supplies on materials to Ravenscraig should be lifted, and instead a limit placed on the production of finished strip and plate equivalent to 18,000 tons coal usage. I said that such an arrangement could be made by Ravenscraig trade union representatives with the TGWU without any management initiative. A similar suggestion was later made independently by Mr John Hardie, Scottish docks officer of the TGWU. Mr Dunbar rejected the detail of my suggestion, but the proposal for a meeting of the TGWU and Ravenscraig unions was followed up.

END



10 DOWNING STREET

PREME MINISTER

Peter Walker rang to say that Mr. MacGregor had telephoned him and said that he was very pleased with Mr. Walker's letter. Mr. Walker has a meeting with Mr. MacGregor tomorrow morning to take him through the issues.

Robin Butler

13.9.84

file

Ian MacGregor, Esq.,  
Chairman,  
National Coal Board,  
Hobart House,  
Grosvenor Place,  
London SW1

13 September 1984

As you will know, the Cabinet regularly meets on a Thursday morning. At this morning's meeting, I reported to my colleagues the current situation and negotiations in the coal mining dispute.

The Cabinet recorded its unanimous support for you and your colleagues in your patient but firm insistence both that the National Coal Board must continue to be able to close pits on economic grounds and that any words agreed with the National Union of Mineworkers as a basis for ending the current dispute must make this clear. The Cabinet wanted you to know that you have their wholehearted backing in your efforts to achieve these objectives in these long and arduous negotiations.

PETER WALKER

CONFIDENTIAL

MISC 101 folder

Mr Turnbull

MR REDWOOD

13 September 1984

POWER STATION ENDURANCE

'Newsnight', on BBC2 last night, transmitted a particularly damaging piece on power station endurance.

They stated that published information from the Department of Energy disproved Peter Walker's public assertion that endurance was sufficient until well into 1985. The programme stated that the Government's own figures clearly showed that power cuts would be needed well before the end of the year.

This conclusion was based on the entirely erroneous assumption that power station stocks cannot fall below 8 mt before the system becomes unstable and power cuts are essential. The figure of 8 mt was stated as an objective fact and the viewer given the impression that official figures clearly showed the need for power cuts this year. Even more damaging, the reporter stated that the Department of Energy had been given an opportunity to comment on these conclusions but had declined.

I have confirmed again with the Department of Energy that there is no substance in this report. It is true that in 1974, a figure of 6 mt of power station stocks was crucial. However, this was because stocks were so badly

CONFIDENTIAL

CONFIDENTIAL

distributed. This time every effort has been made to optimise distribution in order that the maximum tonnage of stocks can be used.

Energy do admit, however, that the split between working and non-working pits has resulted in some maldistribution. As a consequence, there are perhaps 2.5 mt of coal stocks at power stations which would not be useable before power cuts were required. However, this figure has been discounted in the Department of Energy's projections of power station endurance. These show that there is no question of power cuts this year, and that if coal deliveries can average 0.52 mt per week, we shall be able to endure right through until next Winter.

I have also spoken to the Department of Energy Press Office (Romola) and suggested that the Government should have a robust defence on this point. She stated that the Department of Energy Press Office had been misquoted in connection with this programme and she is awaiting a copy of the transcript.

#### Conclusion

It is important that we stress that endurance is assured until well into next year. It would be extremely damaging if it is clearly perceived that power cuts will be essential this year. This point should be stressed at MISC

101.

D.P.  
DAVID PASCALL

- 2 -  
CONFIDENTIAL

CONFIDENTIAL

distributed. This time every effort has been made to optimise distribution in order that the maximum tonnage of stocks can be used.

Energy do admit, however, that the split between working and non-working pits has resulted in some maldistribution. As a consequence, there are perhaps 2.5 mt of coal stocks at power stations which would not be useable before power cuts were required. However, this figure has been discounted in the Department of Energy's projections of power station endurance. These show that there is no question of power cuts this year, and that if coal deliveries can average 0.52 mt per week, we shall be able to endure right through until next Winter.

I have also spoken to the Department of Energy Press Office (Romola) and suggested that the Government should have a robust defence on this point. She stated that the Department of Energy Press Office had been misquoted in connection with this programme and she is awaiting a copy of the transcript.

#### Conclusion

It is important that we stress that endurance is assured until well into next year. It would be extremely damaging if it is clearly perceived that power cuts will be essential this year. This point should be stressed at MISC

101.

DAVID PASCALL

- 2 -  
CONFIDENTIAL



File 26

Daily Coal Report - Thursday 13 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	45	-
(ii) Turning some coal	9	-
(iii) Some men present	15	2
(iv) On strike/picketed out	83	20

Two more South Yorkshire pits are now on holiday.

In Scotland and the North East attendances are as yesterday.

32 men have reported in Yorkshire (Allerton Bywater 5, Kellingley 2, Gascoigne Wood 2, other Selby sites 4, Yorkshire Main 5, Markham 2, Carcroft workshops 1, Kiveton Park 6, Brookhouse 3, Silverwood 2).

In North Derby numbers at Bolsover are down to 210, with 155 at Shirebrook. But there are 161 at Warsop - a new record.

Attendances remain good in Nottinghamshire, Lancashire and Staffordshire.

Coal Movements

Another excellent day.

168,000 tonnes moved yesterday.

46 coal trains ran - the highest number since 19 June.

Law and Order

4500 pickets at Yorkshire Main - buses stoned, some injuries, 7 arrests.

Also in Yorkshire, 5000 pickets at Edlington. Some skirmishing. 11 arrests.

20 pickets were arrested outside Lea Hall colliery in Staffordshire last night after a lorry had been set on fire by the pit gate.

Talks between the NCB and the NUM

To be resumed tomorrow. Despite predictable NUM pressure the Coal Board are standing firm on uneconomic pits.

Threatened Action by Colliery Supervisors

The pit supervisors union, the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS), has voted to ballot its members on striking over the Coal Board's decision to stop the pay of members who do not make genuine attempts to cross the picket lines. A two-thirds majority is required for a strike to be called.

During the current dispute NACODS has already balloted its members on a strike proposition. That was in April. Though the strike call failed under the two-thirds rule, it was supported by 53.17% of the membership.

The Coal Board obviously wish to avoid new difficulties with NACODS, and are considering their position carefully.

SECRET AND PERSONAL

Line to Take

Welcome fact that the negotiations with the NUM are continuing. Sure that the vast majority of miners want an early solution.

The question of uneconomic pits has to be dealt with. Up to both sides to find a formulation which recognises the realities of the situation.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, Tel: 211 6070

SECRET AND PERSONAL

COVERING SECRET

Copy No | of 4



*Next MUSC 101*

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 6402

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

13 September 1984

*Dear Andrew,*

I attach the latest weekly report on coal  
and power station statistics.

Copies also go to Margaret O'Mara and  
Richard Hatfield.

*Yours  
John*

J S NEILSON  
Private Secretary

COVERING SECRET

25

Copy No 1 of 14  
7 September 1984

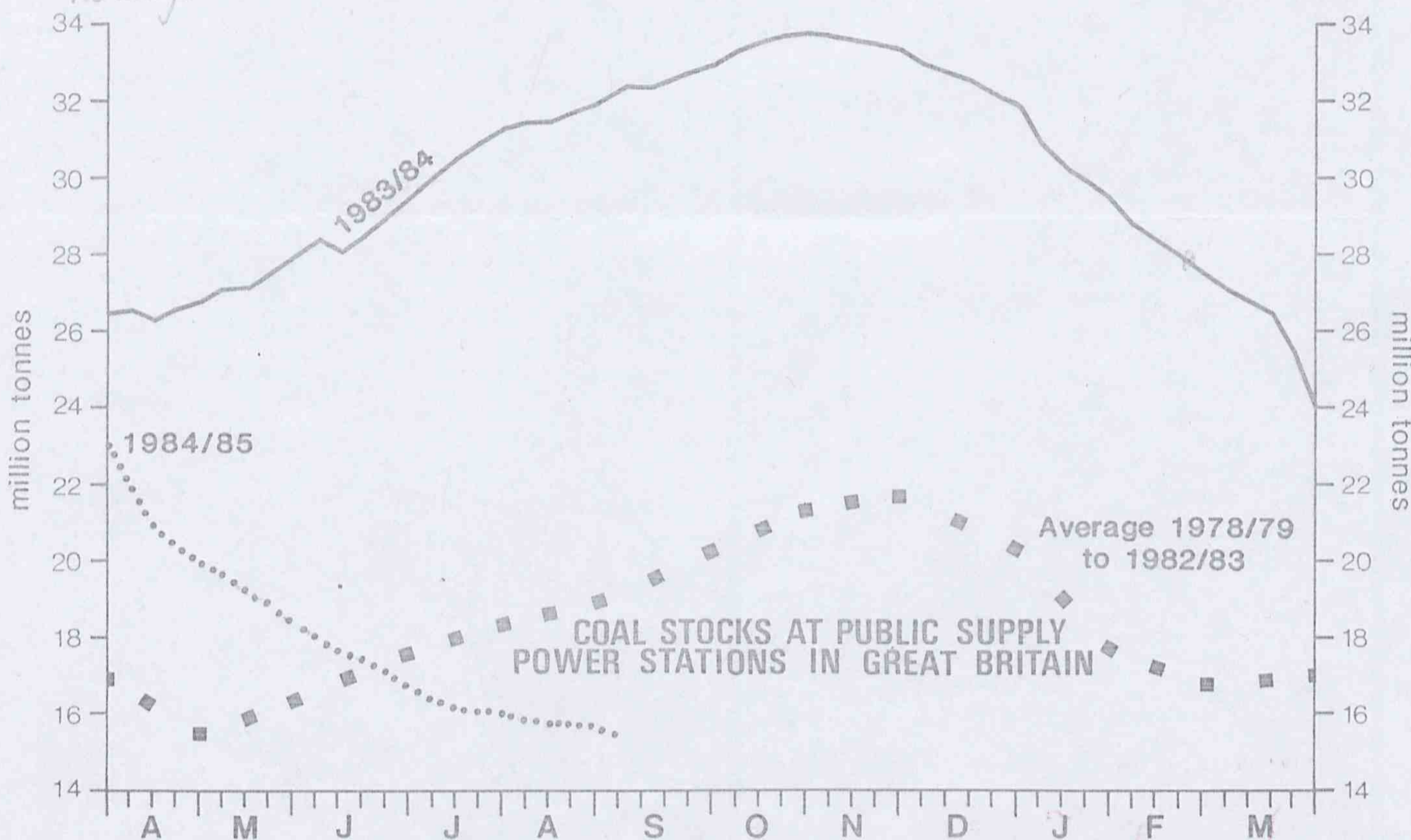
WEEKLY COAL AND POWER STATION STATISTICS (1)

EcS Division, Dept. of Energy, Thames House South, Millbank SW1P 4QJ. Phone: 01-211-6928

Week ending ..... 3.9.83 : 11.8.84 18.8.84 25.8.84 1.9.84

		(5)				(5)	
COAL	PRODUCTION	deep mines †	1.47 :	0.41	0.46	0.47	0.29
	(m. tonnes)	opencast †	0.27 :	0.30	0.31	0.28	0.25
		TOTAL	1.73 :	0.71	0.77	0.75	0.54
COAL	PRODUCTIVITY(2)	'overall' o.m.s	2.28 :	0.0	0.0	0.0	0.0
	(tonnes/manshift)	'production' o.m.s	9.78 :	0.0	0.0	0.0	0.0
UNDISTRIBUTED STOCK							
	(m. tonnes)	TOTAL	23.67 :	22.37	22.48	22.53	22.61
STATIONS	COAL STOCKS	(m. tonnes)	32.32 :	15.68	15.62	15.53	15.33
	COAL CONSUMPTION	"	1.30 :	0.55	0.54	0.60	0.60
	COAL RECEIPTS	"	1.34 :	0.45	0.48	0.51	0.41
STATIONS	OIL STOCKS(3)	"	1.31 :	0.82	0.83	1.08	1.18
	OIL CONSUMPTION(3)	"	0.04 :	0.45	0.46	0.47	0.44
	OIL RECEIPTS(3)	"	0.09 :	0.38	0.46	0.71	0.54
POWER	ELECTRICITY SUPPLIED (4) (GWh)		:				
	Nuclear	"	642 :	739	793	701	761
	Other Steam	"	3,046 :	2,997	3,059	3,207	3,006
	TOTAL	"	3,689 :	3,735	3,852	3,908	3,767
	TOTAL - temperature corrected	"	3,677 :	3,674	3,921	4,119	0.0

(1) Great Britain unless otherwise stated. All latest figures are subject to revision.  
 (2) NCB mines only. (3) Oil-fired boilers only. (4) Steam stations only.  
 .. data not yet available. † includes licensed production. (5) includes summer bank holiday.



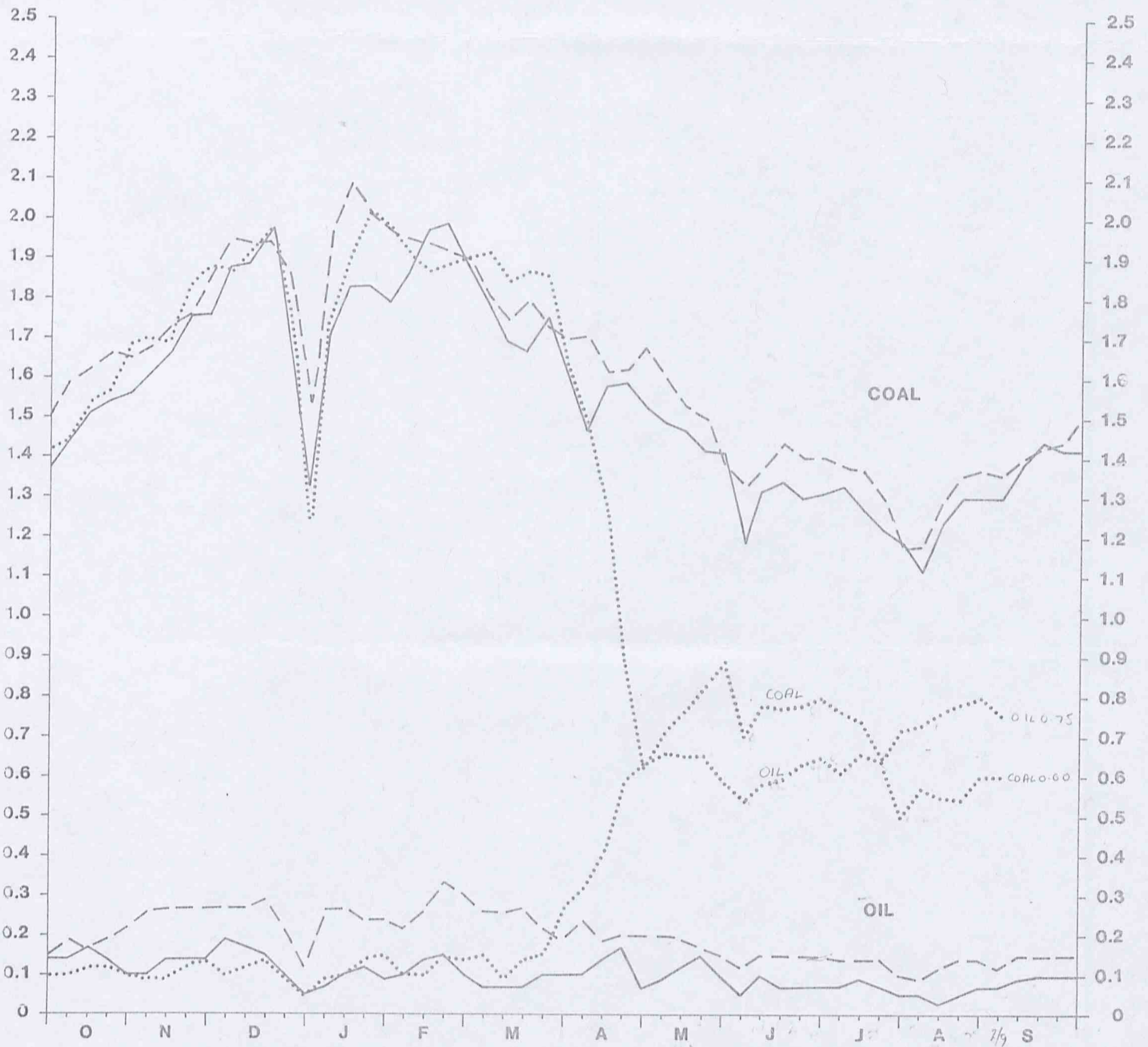
COAL CONSUMPTION AND OIL CONSUMPTION (OIL FIRED) AT  
PUBLIC SUPPLY POWER STATIONS IN GREAT BRITAIN

Key

- ..... 10/83 to 9/84
- 10/82 to 9/83
- - - - Average 1977/78 to 1981/82

Million  
Tonnes  
Coal  
or Coal  
Equivalent

Million  
Tonnes  
Coal  
or Coal  
Equivalent



SECRET

File

24

PRIME MINISTER

13 September 1984


NACODS

The latest twist in the miners' dispute is very worrying.

NACODS union men are arguing the case hard to try and deliver the two-thirds majority on the ballot for strike action. It should be very difficult for them to deliver, given that you would expect NACODS men in the working areas to be pretty heavily in favour of continuing to work, and you would expect a reasonable number in the striking areas to reaffirm their vote of the previous ballot.

However, it is vital that the NCB senior management devote time and energy to resolving the NACODS problem. They have two options. Either they can withdraw their circular and appease the NACODS union leaders by withdrawing the main cause of the flare up, or they could counter the union's argument and make sure they can deliver at least one-third of the NACODS electorate in a ballot.

If they are doing neither, we should be very worried, and it is vital that they are not totally preoccupied by the current talks with Scargill, so that their eye is taken off the ball.

  
JOHN REDWOOD

SECRET



10 DOWNING STREET

*From the Private Secretary*

Pune Minutes (2)

we have at long last obtained the  
Professor Simpson piece. It is perhaps  
overbilled as a "report" - it is more  
an article commenting on the pat  
dispute in the light of the MMC report.  
Nevertheless it makes a number of points  
rather effectively

AT

12/9



D/Eh are seeking a copy

**Inner city solutions**

Contact: Hull City Council, 76-78 Lowgate, Hull HU1 1HD Dept. TC Telephone: 0482 222626



City of Kingston upon Hull

# FINANCIAL

Tuesday May 29 1990

## Scunthorpe gets Polish coal

BY DAVID BRINDLE AND MARK MEREDITH

ATTEMPTS by the National Union of Mineworkers to stop production at the British Steel Corporation's Scunthorpe, Humberside, plant suffered a further setback yesterday when 3,000 tonnes of Polish coal arrived at the works without incident.

Only 10 pickets were on duty at a wharf on the River Trent near Flixborough when the coal was moved five miles by lorry to the Scunthorpe plant.

About 1,000 pickets had gathered outside the Orgreave coke works near Sheffield in response to an appeal by Mr Arthur Scargill, the mine-workers' president.

Orgreave is supplying coke to Scunthorpe and Mr Scargill had been involved in an incident on the picket line there on Sunday. However, it had already been announced that the twice-daily shipments of coke would be suspended for the day yesterday.

Mr Scargill, who claimed the number of pickets at Orgreave had been 3,000, said there would be even more at the works today and told reporters: "You will find it is going to be a very interesting day tomorrow."

About 60 striking mine-workers yesterday staged a 10-hour sit-in at the National Coal Board's Scottish headquarters in a protest over holiday pay. They said the board owed them pay earned last year and that it was being withheld to keep up the financial pressures on them and on their families.

The board, which sent office staff home after the occupation started, said an employee was entitled to holiday pay only if he worked the week before his annual leave.

Many of the English pits which are still producing coal

will be closed this week for the extended spring holiday. The effect of this could be to concentrate heavy picketing at those which remain open, but there is nevertheless some optimism at the prospects for the fresh talks which are due to take place on the dispute.

Mineworkers' leaders on the right of the union believe reverses at Scunthorpe and elsewhere, last week's High Court victory for the Nottinghamshire miners who have continued working and what is seen as the start of a slow drift back to work will combine to force Mr Scargill to adopt a more conciliatory stance.

The union's case on pit closures is strongly challenged today in a report produced by Professor David Simpson of the Fraser of Allander Institute at the University of Strathclyde.

He says the union's argument that pits should be kept open

until exhausted of coal is equivalent to saying no factory should be closed while it is capable of producing something. "Such an argument has no place in capitalism, socialism or any other form of economic organisation known to man. It is simply irrational."

The report also disputes the claim that Britain produces the cheapest deep-mined coal in Europe because, it says, the coal board's estimates of cost per tonne do not make full allowance for capital investment.

Professor Simpson forecasts the eventual defeat of the mine-workers because of what he sees as a lack of support in the wider community. He says they make up less than 1 per cent of the workforce in Scotland, for example, where the redundancy payments on offer to them are seen as generous.

Faith, pride and militancy, Page 9

## Hammer merger unlikely

By Stefan

THE PLANS for a large scale merger between house J. R. banking and Hambro's largest unit, is unlikely.

In its plans are considered including and joint

The plan announced by CJR bank stake in Hambros. Mr Jacobson of Weinberg Hambros of the worked months.

But full-scale only a re

It is working two great proposals ways of linking links and ties in fields.

Such a move to be a ward between Life.

An as two

## Japanese reform fears eased

By Jurek Martin in Tokyo

THE REFORMS in the Japanese financial system, due to be announced in the next 24 hours simultaneously in Tokyo and Washington, are less draconian than the Bank of Japan had at one stage feared.

This assessment was delivered yesterday by a senior official of the central bank here. It sug-

## Dutch offer new gas deal to UK

BY WALTER ELLIS IN AMSTERDAM

GASUNIE, the Dutch natural gas corporation, has made a new offer to pipe gas to Britain on terms it believes are competitive with those proposed for supplies from Norway's Sleipner field.

The news coincides with the announcement yesterday of a 24 per cent increase in the Netherlands' proven reserves of gas, from 1,530bn cu metres to 1,900bn cu metres. Gasunie is anxious to promote fresh discussions with foreign governments on the extension of exist-

ing pipelines which are too small and the price too high.

The British Government is understood to be enthusiastic about the Dutch option, which would entail a new pipeline from Callantsoog, 50 miles north-west of Amsterdam, to a terminal at Bacton, near Norwich. British Gas, however, apparently prefers the Sleipner source.

The Norwegians are offering more than 1bn cu ft of gas a day from around 1990. Gasunie is suggesting perhaps between 800 and 900 cu ft a day but

A new pipeline could add greatly to the British gas industry's bargaining strength with other would-be suppliers. It would also give Britain access to the continental grid, which could have potential for distribution in the opposite direction.

An obvious stumbling block is that British Gas and Statoil, the Norwegian Gas Corporation, have already reached provisional agreement on future purchases.

Until last year, the Netherlands was uneasy about its gas

From - Quarterly Economic Commentary 5/84  
Vol 9 No 4

[University of Strathclyde: The Fraser of Allender  
Institute].

surplus. A surplus can be very costly for the EEC budget and its disposal on world markets can antagonise other traditional suppliers. On both points, the next largest problem after milk is in cereals, and a Commission official recently warned that support prices for grain will soon have to be restricted. Third on the "hit list" is probably beef.

The containment of agricultural output, by whatever means, implies that future improvements in efficiency will result in the release of resources to some other activity. There is little point in milk quotas, for example, if they simply transfer resources to the production of greater surpluses of cereals. Scottish farmers will therefore want to know whether there is any commodity which can produce which will not soon be subject to price squeezes or quotas or other restrictions. One answer is vegetable proteins. The EEC is far below self-sufficiency in protein for animal feed and

gives enormous support to oilseed rape, peas, beans and now lupins. There have been some warnings about the cost of these commodities to the EEC budget and there is already a "guarantee threshold" which leads to a trimming of rapeseed prices if output grows too quickly. However, this is "not to stop production, but to allow a prudent growth".\* In the very long term, the Commission is also looking at the scope for expanding timber production and at various new biological energy sources. In the meantime, the general trend is likely to be towards reduced support for most major commodities, coupled with special aid for those farmers least able to cope. This could mean increased assistance to "less favoured areas" which include much of Scotland.

\* Claude Villain, Director General for Agriculture, European Commission, February 1984

---

## Economic Perspective

---

### THE COST OF COAL.

David Simpson  
Fraser of Allender Institute

The organisation and finances of the National Coal Board as depicted in the recent report of the Monopolies and Mergers Commission\* makes devastating reading. The unemotional tone of the report lays bare a tale of mismanagement and incompetence on a scale, which if replicated in the Soviet Union, would perhaps have earned the senior executives responsible severe punishment. The comparison with the Soviet Union is suggested by the fact that the industry has apparently been run since nationalisation in 1947 like an industry in a planned economy, i.e. with physical performance rather than financial indicators. There has been a consequent maldistribution of investment and devastation of worker

morale. There have, however, been no comparable sanctions on management.

As a consequence of the way in which the industry has been run, it has become a huge drain on the resources of the rest of society. All the following figures refer to 1981/82, the latest year for which data were available for the purposes of the MMC enquiry. In the same year, grant aid receivable from the government amounted to no less than £575 million, while the figures for the two previous years were £254 million and £251 million respectively. In addition, in that year the NCB borrowed £902 million from the

National Loans Fund and £586 million in the previous year. The external financing limit proposed for 1983/84 of £1,130 million was over 40% of the total for all the nationalised industries. In the words of the report, "on the information available to us, there is little possibility that the NCB will be able to operate without a deficit, let alone generate sufficient funds to finance any significant part of its own capital investment, before the end of this decade." These facts should be read in conjunction with Section 1(4) of the Coal Industry Nationalisation Act 1946 which provides that "the revenues of the Board shall be not less than sufficient for meeting all their outgoings properly charged to revenue account..... on an average of good and bad years."

The absence of any proper system of financial accounting (other than at the aggregate level) has tended to disguise the fact that there is a wide spectrum of performance between pits. In 1981/82, more than half of total UK output was produced at a cost (excluding capital charges) per ton greater than average revenue per ton. The MMC estimated that if capacity could be reduced by 10% and the reduction could be concentrated on those pits with the largest operating losses per ton, the NCB's finances would be improved to the extent of some £300 million per annum. In 1981/82 the operating losses amongst the twelve collieries then operating in Scotland ranged from £38.3 per ton at Cardowan to £1.5 per ton at the Longannet complex. Not a single colliery in Scotland made an operating surplus. To make matters worse, these measures of operating surplus and loss leave out the cost of capital.

Unlike a factory or a farm or other mining activities in this country, or unlike coal mining activities in other parts of the non-Communist world, the system of financial accounting at the level of the basic unit of production is incomplete and overlaid by physical constraints. Thus there is no proper measure of costs. The Coal Board's principal measure of performance is a measure of labour productivity defined in terms of output of coal in tons per man-shift worked. As the MMC report says "there is therefore a lack of the necessary information that would enable the management to base its decisions on an

understanding of the cost of the capital that is likely to be involved, or the real profitability or otherwise of individual operations." Another consequence has been the maldistribution of investment. Over one third of the Board's expenditure of some £386 million since 1974 on major investment projects has gone into collieries which are either unprofitable or of doubtful potential profitability.

Another predictable consequence of the lack of information which is necessary for efficient resource allocation is that an excess supply of coal has built up, leading to the present high volume of stocks. Those who support Mr Scargill's campaign argue that these excess stocks should be run down by exporting more coal at subsidised prices. But if coal is a national asset of potentially still greater value in the event of a further major rise in the world price of crude oil, as they also argue, then of course the correct policy is to reduce the level of output of coal, not to expand it, and certainly not to give it away cheaply.

The immediate reason for over-production and the continued existence of so much high cost capacity, resulting in the present "grave financial position" of the NCB (to quote the MMC report), has been the failure of the industry to achieve the elimination of a "broad average of some 3-4 million tons capacity a year that was accepted by the NCB, the unions and the government in the interim report of the Tri-partite Coal Industry Examination in 1974. Meanwhile the other main element of that report - investment in new and modernised production facilities - has proceeded unabated. If the level of closure anticipated in the report had been achieved, the present capacity would have been at least 10 million tons less than it is, and the position of the industry would have been transformed." These are the sources of the present dispute.

The campaign being waged by Mr Scargill against any pit closures is a campaign which can end only in defeat. While resistance to the closure of particular pits might well be justified, and while delaying the timing of the closure programme might just win public sympathy

or at least be negotiable, there is no economic sense whatever in the proposition that no pit should be closed before the physical exhaustion of its reserves of coal. This is a principle which is equivalent to saying that no factory should be closed so long as it is physically capable of producing something, or that fertilisers and machinery should continue to be applied to any field which can produce a blade of grass. Such a proposition has no place in capitalism, socialism or any other form of economic organisation known to man. It is simply irrational.

In the areas where most pit closures seem likely to come, there are few alternative jobs with terms and conditions as attractive as those which would disappear. This is an argument for the government to promote investment in new industries in these areas: it does not constitute an argument against closure of pits which have no economic future.

The statement frequently made that British coal is "the cheapest deep-mined coal in Europe" is misleading in four respects: (i) The Coal Board's estimates of costs per ton omit the costs of capital used in production. Even in the Coal Board's sense, costs vary enormously from one pit to another, and it is evident that not all pits could compare favourably in costs with elsewhere. (ii) Those pits which are "low-cost" in Coal Board terms, like Selby in Yorkshire, tend to be modern capital-intensive pits, and therefore tend to have a high proportion of capital costs. Thus their true costs are likely to be very much higher than those indicated by the Coal Board's measures. (iii) Even if the true costs of production from individual British deep mines were known, and even if, in some cases, these proved to be lower than for deep-mined European coal, it remains the case that deep-mined coal has to compete with coal produced from much cheaper open-cast mines. (iv) Even if it were the case, which it manifestly is not, that all

British deep mines produced coal at a true cost per ton lower than the cost of coal produced anywhere else in Europe by any other means, that still would not constitute an argument for continued production in every pit if coal can be produced in Australia or America and delivered to customers in the UK more cheaply.

Mr Scargill's defeat seems inevitable because in order to win he must inflict inconvenience or even hardship upon the rest of the community, but it is the opinion of the rest of the community which will in the end decide who wins. Unlike a strike about wages, little sympathy can be expected from the rest of the community for a campaign against pit closures, once the facts are known. Compared to the importance of the coal industry to the economy as a whole (80% of electricity is generated by coal-fired plants, and coal accounts for 45% of electricity generating costs) the proportion of miners in the community is small (less than 1% of all employees in Scotland). Most people believe, rightly or wrongly, that the redundancy terms offered to miners (either lump sum payments or transfer to other collieries in the same coal-field) are generous compared with the redundancy terms on offer for other occupations.

Of course nothing is certain in human affairs and it still remains possible that the government will throw away the victory which is within their grasp. They would have to be remarkably foolish to do so, but the Coal Board's failure hitherto to get across its case to the public is certainly indicative of the possibilities.

**\* National Coal Board : A Report on the Efficiency and Costs of the Development, Production and Supply of Coal by the NCB.** Report of the Monopolies & Mergers Commission. CMND.8920, June 1983

Ref. A084/2464

PRIME MINISTER

Cabinet: Industrial Affairs: Coal and the DocksCoal

You will wish to ask for reports from:

- No let not observed.*
- i. the Secretary of State for Energy on:
    - the latest position on the NCB/NUM talks
    - pits and miners working
    - coal movements  
(developing very well over the last 10 days;  
there was a small increase last week in power station coal stocks for the first time);
  - ii. the Home Secretary on law and order;
  - iii. the Secretary of State for Trade and Industry on:
    - the situation in the British Steel Corporation's major plants
    - effects on industry generally.

2. In summing up the discussion you will wish to establish how high a profile the Government should adopt in the media over the weekend, and the line to take.

Docks

3. You will wish to ask for reports from:
- i. the Secretary of State for Transport on:
    - the extent of the strike
    - efforts by port employers to get dockers back to work;
  - ii. the Secretary of State for Trade and Industry on the effects on industry;

23  
 → Cont cum  
line to take

iii. the Minister of Agriculture, Fisheries and Food on the effects on supplies of food and animal feedingstuffs.

4. The most likely subjects for discussion are:

i. any prospect of an arrangement at Hunterston acceptable to BSC which the TGWU could use as an excuse for calling off the strike;

ii. civil action in the courts;

iii. the line to take.                     

Next meeting

5. The next meeting of MISC 101 has been arranged for 4.00 pm on Monday 17 September.

*Rx*  
Approved by  
ROBERT ARMSTRONG  
and signed in his absence.

12 September 1984

22

Daily Coal Report - Wednesday 12 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	45	-
(ii) Turning some coal	9	-
(iii) Some men present	15	2
(iv) On strike/picketed out	85	18

Little change from yesterday.

In Scotland 160 men in again at Bilston Glen.

In the North East both Wilkinsons in at Easington, despite 1500 pickets.

17 in at Wearmouth.

31 men reported in Yorkshire, including 1 more at Brookhouse, despite 1500 pickets.

Attendances at Bolsover are down (216 compared to 235 last Wednesday), and also at Shirebrook (145 compared to 158), though at Warsop they are up to 160, a new record.

In Kent 5 men reported at Betteshanger and 24 at Tilmanstone.

Attendances remain good in Nottinghamshire, Lancashire and Staffordshire.

Coal Movements

A very good day.

161,700 tonnes moved. The best since March.

41 coal trains ran.

960 tonnes of coal were taken into BSC Scunthorpe.

According to the Coal Board the CEGB added a net 13,000 tonnes to stocks last week.

Law and Order

Skirmishing reported at Easington and Brookhouse (Yorkshire), but no major incidents reported so far.

Talks between the NCB and the NUM

The Secretary of State for Energy will report on progress at today's meeting of MISC 101.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211 6070



PERSONAL AND CONFIDENTIAL



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 7214

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

12 September 1984

*Dear Andrew*

When Mr MacGregor called on my Secretary of State this morning he handed over a folder of various papers tabled by both sides in the last two days of negotiations. My Secretary of State thought the Prime Minister would wish to see these. The top paper - marked X for ease of reference - is the alternative to clause 3C which the Coal Board put on the table yesterday afternoon. Immediately below it - marked Y - is the counter version which the NUM proposed 1½ hours later.

*Yours sincerely  
M F Reidy*

M F REIDY  
Private Secretary

PERSONAL AND CONFIDENTIAL

Presented by NCB  
11/9/84

Amended Clause 3(c)

It is agreed that pits may be closed for reasons other than exhaustion or safety. Included in this category and deemed to be exhausted are pits where a report of an examination by the respective NCB and NUM qualified mining engineers does not provide the NCB with a basis for continued operations which constitute a responsible use of human or financial resources.

(X)

Presented by NUM

11/9/84

AMENDED CLAUSE 3(C)

It is agreed that since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in (A) and (B) above, and in accordance with the Plan, this procedure will continue to apply.

=

Included in this category and deemed to be exhausted are pits where a report of an examination by the respective NCB and NUM mining engineers shows there are no further mineable reserves and does not provide a basis for continued operations.

Tuesday, 11 September, 1984

'Y'

Presented by NUM  
am 11/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

AGREEMENT BETWEEN THE NATIONAL UNION OF COLLIERYMEN AND MINING ENGINEERS AND NATIONAL COAL BOARD

RELEVANT NOTE - CLAUSE 3(C)

The parties reaffirm their commitment to Plan For Coal.  
It is acknowledged that there is no new policy or programme regarding pit closures.

Since the advent of Plan For Coal, there have been closures which do not fall within the definitions contained in Clause 3 (A) and 3 (B), and the procedures in operation regarding pit closures prior to the dispute will continue to apply in line with Plan For Coal.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(C) is intended to cover such circumstances.

Tuesday, 11 September, 1984

JOINT AGREED NOTE - CLAUSE 3(C)

The parties reaffirm their commitment to Plan For Coal, confirming that there is no new policy or programme regarding pit closures and that procedures in line with Plan For Coal continue to apply.

C Since the advent of Plan For Coal, there have been closures which do not fall within the definitions contained in Clause 3(A) and 3(B). In addition to closures which occur under 3(A) and 3(B), it is accepted that there may be a small parcel of coal in a colliery which could not be worked or developed.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(C) is intended to cover such circumstances.

Monday, 10 September, 1984

Presented by NMM  
8.15 pm 10/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note ~~could~~ be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984

Presented by NUM  
5.10pm 10/9/84

Acceptable to 16  
NCB

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984



NOTE

Definition of a colliery exhausted in accordance with Category 3(C) would be:-

where a colliery containing a small parcel of coal only (sufficient for a few months' life) requires extensive development over many months and the transfer of the workforce to another colliery in the interim period, such a colliery will be deemed exhausted.

Monday, 10 September, 1984

Presented by NCB

10/9/84

Plan for Coal recognised that, "inevitably, some pits will have to close as their useful economic reserves of coal are depleted".

The parties reaffirm their commitment to the principles of Plan for Coal. It is acknowledged that there is no new policy or programme regarding pit closures.

Since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in Clause 3(a) and 3(b) and the procedures hitherto practised before the dispute with regard to such pit closures will continue to apply.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i. e. safety, and Clause 3(c) as set out in the NCB's Discussion Document is intended to cover such circumstances.

Presented by NCB  
10/9/74

In an effort to resolve this serious and long running dispute, the Coal Board's consistent attitude has been that we would always be willing to consider any constructive alternative effort to meet the Coal Board's needs with regard to Paragraph 3(c).

I am afraid that we cannot see how your revised joint agreed note advances the situation. Certainly it is not a substitute to the inclusion of the word 'beneficial' in Paragraph 3(c).

Our attempt at a joint agreed note was to clarify the construction which the Board placed on 3(c) in order to help you in your acceptance of that category.

Your <sup>edition</sup> ~~addition~~ offers no clarification for the third paragraph. If we are to make progress, bearing in mind the movement that the Board has already made to you in the earlier paragraphs of <sup>our</sup> the discussion document, then we must expect you to move towards a definition of a third category which would cover a wider <sup>range of situations</sup> generality than the form of presentation that you repeatedly make.

I repeat, it is the Board's intention to try to persuade you that we wish to resume the previous practice of colliery closures within the Review Procedure. If you can meet us to clarify that, it would be helpful.

Footnote to Paragraph 3

In addition to closures which occur under paragraph 3(a) and 3(b) above, the NUM accept that there are certain deposits of coal which couldn't be feasibly worked. [However, the NUM do not accept the inclusion of the word "beneficially" in paragraph 3(c) as a means of defining such collieries.]

The NCB having responsibility for the efficient operation of the industry will make production decisions regarding collieries taking into account the interests of employees, customers and the community as a whole following the recognised consultation procedures.

Presented by NCB  
10/9/84

In addition to closures which occur under Paragraph 3(a) and (b) above, the NUM accept that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

The Board has declared on a number of occasions that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.

Presented by NCB

10/9/84

Draft Agreed Note to NCB Discussion Paper

In addition to closures which occur under Paragraph 3(a) and (b) above, it is agreed that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

It is accepted that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.

NCB PROPOSED DISCUSSION DOCUMENT 18.7.84

The NCB and the NUM have examined the current situation, in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On March 6th the NCB put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individual Areas.

2. The following collieries referred to specifically by the NUM - namely

- (a) Polmaise
- (b) Herrington
- (c) Cortonwood
- (d) Bullcliffe Wood
- (e) Snowdown

will continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under section 3 below.

3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply:-

- (a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.
- (b) Collieries facing severe geological difficulties, i.e. safety, again in line with the principles of the Plan for Coal, will be closed by joint agreement.
- (c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable and which can be beneficially developed, such a colliery shall be deemed exhausted.

4. On the basis of the above arrangements the Board and the Unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing a developing and expanding coal industry equipped to meet future energy requirements.



Coal file.  
Handwritten 11/9 by  
Dana Hovr

It is agreed that pits may be closed for reasons other than exhaustion or safety. Included in this category and deemed to be exhausted are pits where a report of examination by the respective NCB and NUM engineers does not provide the NCB with a basis for continued operations which constitute a responsible use of human <sup>and</sup> financial resources.

SECRET

21

P.01383

PRIME MINISTER

MISC 101(84)39th Meeting

You will wish to deal first with coal and then with docks.

Coal

2. On coal, after the usual reports, you will wish to focus the discussion on:

- the latest position in the NCB/NUM talks;
- assuming the talks have broken down by the time of the meeting, how the NCB can best win the public argument, and how Ministers can best reinforce the NCB's efforts;
- in particular, whether (as was provisionally agreed at Monday's meeting) the best line of attack is to step up pressure for a national ballot by the NUM, and how to mobilise support for this line from the widest possible sector of opinion.

Docks

3. On docks, after the usual reports on the number of ports and dockers working, you will wish to focus discussion on:

- the efforts of the employers, particularly at Tilbury and Bristol, to encourage a return to work;
- the efforts of the TGWU (particularly at Grimsby and Immingham) to widen the dispute;
- any further developments on civil action in the courts;
- whether (particularly if the NCB/NUM talks have broken down) Ministers should resume a higher profile in the media on the docks dispute and what the line to take should be.

SECRET



SECRET

Flag A - 4. On civil action, I understand that the Solicitor General, whose staff have been in touch with the Department of Employment's lawyers, will be ready to clarify the relevance of the new employment legislation, due to take effect on 24 September, to the coal and docks disputes.

Next meeting

5. There will be an opportunity for a further discussion under the Industrial Affairs item at Cabinet on Thursday 13 September.

P L GREGSON

11 September 1984

Operant.

File

20

Daily Coal Report - Tuesday 11 September 1984

Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	45	-
(ii) Turning some coal	9	-
(iii) Some men present	15	2
(iv) On strike/picketed out	85	18

The situation is much the same as yesterday.

In Scotland 160 men again reported at Bilston Glen. Some men are present at all producing pits except Barony.

In the North East the situation is unchanged.

30 men have reported for work in Yorkshire.

In North Derby 235 men have reported at Bolsover (compared to 215 last Tuesday), 159 at Shirebrook and 155 at Warsop.

In Kent, 4 men reported at Betteshanger and 23 at Tilmanstone, as yesterday.

The Coal Board have reported continuing good attendances in Nottinghamshire and also in those Lancashire pits which have now returned from holiday.

SECRET AND PERSONAL

Coal Movements

132,000 tonnes were moved yesterday, 10,000 tonnes up on last Tuesday.

28 coal trains ran.

Law and Order

The number of pickets in Scotland increased to some 400 this morning.

In Yorkshire the situation is generally quieter than yesterday, though some 3,000 pickets turned up at Kiveton Park. There was some skirmishing with injuries both to police and pickets.

A further 20 arrests have been made in Kent, though picketing is now reported as orderly.

There are a small number of pickets at the Orgreave coke plant, where fresh coal is being taken in.

Docks Dispute

D/Employment report there has been evidence of a hardening of attitudes in the dispute. Only a small number of dockers crossed picket lines at Tilbury this morning.

Dockers at Grimsby and Immingham - the biggest group of registered dockers still working - have been called to a mass meeting tonight when union leaders will try to persuade them to join the strike.

SECRET AND PERSONAL

But dockers at Yarmouth have voted by a substantial majority to overturn a previous decision to join the strike.

Dockers have again crossed picket lines at Bristol to report to work.

Talks between the NUM and the NCB

As at 5.00 pm the Coal Board report that these talks are still continuing. We will offer further advice when the outcome is clear.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211 6070

SECRET AND PERSONAL



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 6402

Andrew Turnbull Esq  
Private Secretary to the Prime Minister  
10 Downing Street  
LONDON SW1

// September 1984

*Dear Andrew*

Thank you for your letter of 3 September concerning a request from the Miners Wives Back to Work Campaign for a meeting with the Prime Minister.

This is the first we have heard of this particular group based in Wales, although there was some publicity a few weeks ago for a similar group in Kent. They have made no contact with either the South Wales NCB or the Welsh Office. However we have established, by talking to Mrs Fjaelberg, that hers is part of a nationwide network of similar groups. This one was founded 8 weeks ago with a view to encouraging the men to go back to work in spite of the intimidation and violence likely to be faced by wives and families. They intend to act as a mutual support group of wives, giving help to those who are cracking up under the strain and exchanging practical ideas on how to face shared problems. For your information Mrs Fjaelberg was optimistic that returns to work would begin in S Yorkshire in the next couple of weeks and in S Wales by end-September.

Their wish in seeking a meeting with the Prime Minister is to put their problems to her and to ask her advice on how best to deal with them. They include response to threatening letters and telephone calls etc - we have already suggested that written material be supplied to the police.

*You will be disingenuous this*

The Group clearly shares the Government's wish to see a movement back to work, and we would not therefore want to 'cold shoulder' them. I suggest that in replying you might say that the Prime Minister welcomes the formation of groups of this kind; she regrets [depending on her diary] that she herself will not be able to meet them in the next couple of weeks; she suggests that they seek a meeting either with Welsh Office Ministers if their concerns are specifically local or Ministers at the Department of Energy, specifying exactly what they wish to discuss. They should also be encouraged to make contact with their local NCB officials.

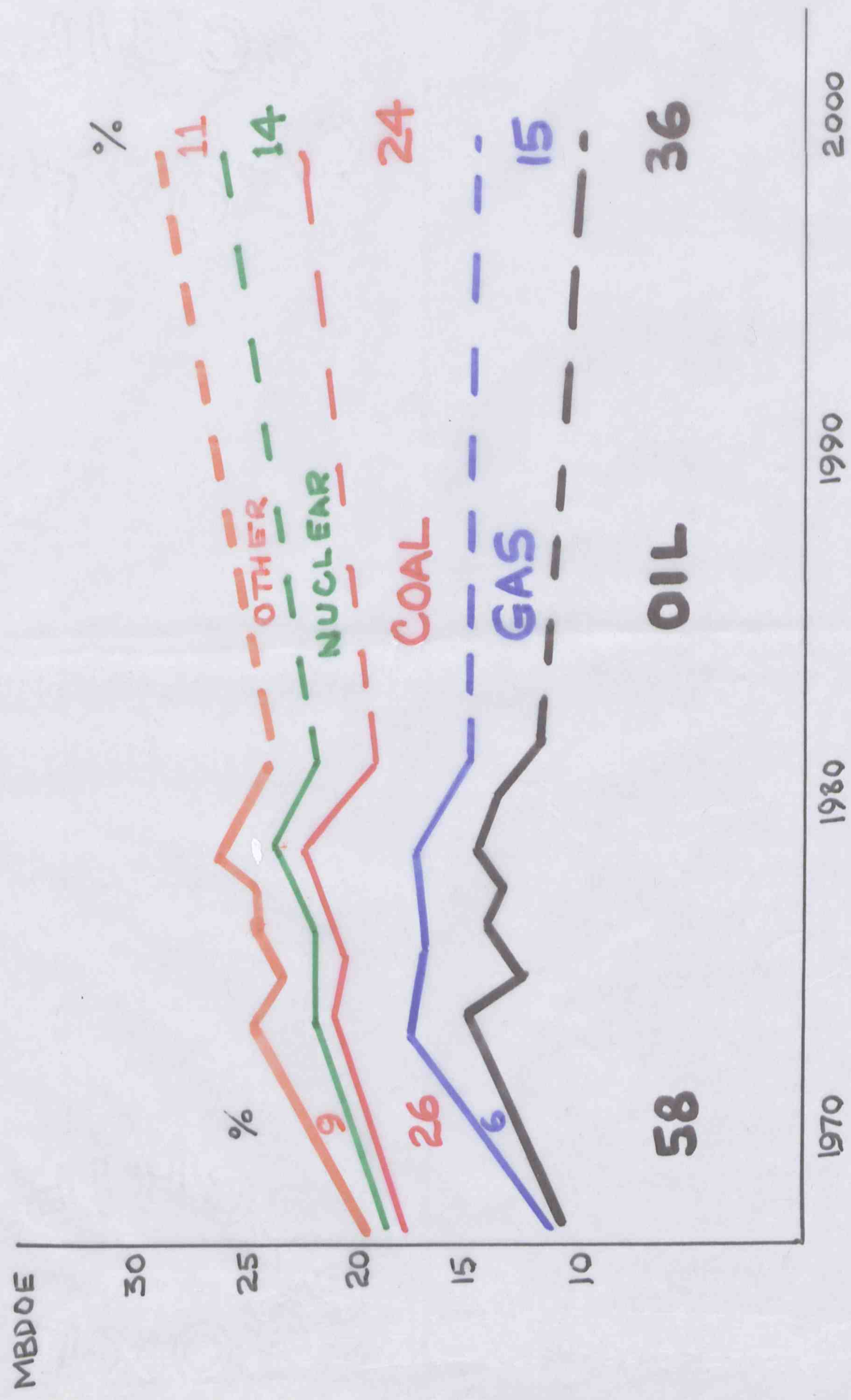
*Yours*

*John*

J S NEILSON  
Private Secretary

Coal file

# EUROPEAN ENERGY DEMAND BY FUEL





Tommy Thompson

Coal file

2 Wesley Street  
London W1M 7PT  
Tel: 01-935 0741

I enclose, for your information, a new survey. I understood from your office that you were on holiday so in view of the urgency I sent it directly to the Prime Minister (since I do not know any of the present Private Office people).

But I wanted to keep you in the picture.

Maybe we might get together for lunch while Parliament is in recess. It would be nice to have a good gossip,

Kind regards,

Mr TURNBULL

Have you seen this?

John 8/9

cc Lord President's Office.  
I have taken a copy

AT 10/9

LIFE IN BRITAIN

Based on 1074

Fieldwork 22/33 August 1984

Interviewer Name: \_\_\_\_\_ No: \_\_\_\_\_

Constituency \_\_\_\_\_ No: 

--	--	--

Classification: Sex

Male  
Female

Age                      18-24  
                                  25-34  
                                  35-44  
                                  45-54  
                                  55+

Social Class

ABC1  
C2DE

Trade Union Member

Member  
Non member

Working Status

Working full time/part time  
Unemployed, seeking work  
Other

Good morning/afternoon/evening. I am \_\_\_\_\_ (SHOW ID CARD) from the Harris Research Centre. We are carrying out a large survey of public attitudes towards some of the problems the country is facing in the nationalised industries. I would like your views on these matters--who you think is responsible, how well the problems are being handled, and what ought to be done about them.

Q.1 First of all I would like to ask you how well you think nationalisation has worked in this country. Do you think it has been successful or unsuccessful?

20

Successful	26
Unsuccessful	56
Don't know	18

---

Q.2 Here is a list of the most important nationalised industries  
SHOWCARD A

Q.2a Which two do you think are the best run and most efficient?

National Bus Company	22
British Steel Corporation	11
National coal Board	7
Central Electricity Generating Board	68
British Rail	11
British Gas	69
British Leyland	8

---

Q.2b And which two do you think are the most profitable?

National Bus Company	9
British Steel Corporation	5
National coal Board	6
Central Electricity Generating Board	82
British Rail	7
British Gas	84
British Leyland	4

---

Q.3 I would now like to ask you about one of the most serious problems faced by a nationalised industry for many years. The miners strike which has been going on now for nearly six months.

How much in sympathy are you with the miners who are on strike? Would you say that you are (read out)

completely in sympathy	13
in sympathy to some extent	22
neither for them nor against them	10
opposed to the miners on strike to some extent	13
completely opposed to the miners	40
don't know	2

Q.4 Some people think that Mr Scargill has brought the miners out on strike to safeguard miners jobs. Others think that he is using the miners to change Society in Britain. Which of these views do you think is nearest the truth?

To safeguard jobs	21
Reason is political	72
Don't know	7

Q.5 Mr Scargill and his colleagues are using mass pickets to try to persuade those miners still working to join the strike. How strongly do you approve or disapprove of these methods?

strongly approve	7
approve to some extent	11
disapprove to some extent	13
strongly disapprove	68
Don't know	2

Q.6 Do you think the miners are within their rights in trying to bring other miners out by mass picketing tactics?

Are	19
Are not	77
Don't know	3

Q.7 And do you approve or disapprove of striking miners smashing car windows, setting fire to buses used to carry working miners, and intimidating working miners in order to make them support the strike?

strongly approve	1
approve to some extent	2
disapprove to some extent	3
strongly disapprove	94
Don't know	1

Q.8 In general terms where do your main sympathies lie, with those miners on strike who are trying to bring working miners out or with those miners who want to work and are being threatened and intimidated to get them to join the strike?

With Striking miners	19
With working miners	74
Don't know	7

Q.9 I would now like to ask you one or two questions about the Police. In general do you think the police in Britain do a good job or a bad job of maintaining law and order?

Very good	52
Quite good	37
not very good	6
bad job	4
Don't know	1

Q.10 And the control of the mass pickets.  
Do you think the police have handled  
the mass pickets in Nottinghamshire  
and other mining areas well or badly?  
Would you say (read out)

very well	36
fairly well	39
fairly badly	11
very badly	10
Don't know	4

Q.11 And who would you say is responsible  
for the violence at collieries when  
police and mass pickets have clashed?

The police	6
mass picketing miners	61
Both equally	28
Don't know	5

Q.12 Under recent legislation mass  
picketing of places other than  
your own place of work is illegal.  
would you say that in respect of  
recent mass picketing.....

The Government should have taken tougher action	50
The Government were right to take the attitude they did	24
The Government should have taken less tough action than they did	15
don't know	11

Q.13 Do you think the NUM leadership is right  
or wrong to keep the strike going for  
nearly six months without having a  
national secret ballot to find out what  
miners want to do?

Right	7
Wrong	89
Don't know	3

Q.14 And if the National Union of Miners did hold a secret ballot of its members do you think that the majority of miners would be in favour of continuing the strike or of going back to work?

continuing	17
going back to work	73
don't know	10

---

Q.15 Why do you think after more than twenty weeks of being on strike the majority of miners are still out on strike. Do you think it is because most of them support the strike or because they are afraid to go back because of intimidation and threats?

support the strike	22
afraid to go back	72
don't know	6

---

Q.16 Do you believe that the situation in working coalfields would have been better, and the rights of individual miners would have been better upheld if the police had not been present to match the strength of the pickets?

better if police had not been present	21
not better if police had not been present	67
don't know	13

---

Q.17 Would you say that Mr Scargill and other leaders of the NUM are right or wrong to do the following things.....

a) Use mass pickets in Nottinghamshire and Lancashire to persuade those miners still working to join the strike

right	16
wrong	80
don't know	4

---

b) Use mass pickets to stop production at British Steel works at Ravenscraig, Scunthorop, and Llandwern steel works

right	9
wrong	86
don't know	5

---

c) Use mass pickets to stop coal reaching the Central Electricity Generating Board's power stations

right	12
wrong	85
don't know	3

---

Q.18 Some people think that as a result of the mass pickets by miners in the present dispute the Government will bring in tougher laws to limit picketing. Would you be in favour or opposed to such a law?

favour	59
opposed	31
don't know	10

---

Q.19 Who do you think is going to win the miners' strike-- Mr Scargill and the NUM leadership or the National Coal Board and the Government?

Scargill	11
NCB	53
don't know/neither	36

---

Q.20 Which of them do you want to win?

Scargill	21
NCB	58
don't know/neither	21

---

Q.21 Would you say that the miners strike is going to help or harm the reputation of the trade union movement with ordinary people and with voters?

help	5
harm	80
have no effect	10
don't know	6

---



Q.22 Some unions who have leadership who admit to being on the left politically are trying to widen the miners strike by getting their membership to help the miners in various ways. I would like you to tell me whether you approve or disapprove of these activities by other unions.

approve	17
disapprove	73
don't know	10

Q.23 Thinking of the groups on this list would you say whether in your opinion, each of these groups of workers should or should not support the miners' strike?  
SHOWCARD B

Q23a	The dockers	should	19
		should not	75
		don't know	6

b	The steel workers	should	18
		should not	77
		don't know	5

c	Railwaymen	should	19
		should not	76
		don't know	6

d	Electricity supply workers	should	17
		should not	78
		don't know	5

e	The seamen	should	16
		should not	78
		don't know	5

f	Lorry drivers and haulage	should	19
		should not	76
		don't know	5

Q.24 The trade unions are holding their annual TUC conference at the beginning of September. A number of left wing trade union leaders have said that they are going to try to make the TUC give much stronger support, both in terms of financial help and actual physical support for the miners.

Do you (a)  
approve or disapprove of this aim

approve	21
disapprove	70
don't know	9

(b) think it would be in the country's interest or against the country's interests for the TUC to give much stronger support to the striking miners:

in country's interest	21
not in country's interest	71
don't know	8

(c) think it would help or damage the reputation of the unions with the general public and the mass of ordinary workers to give much stronger support to the miners?

help reputation	16
damage reputation	72
don't know	12

(d) think it would help or harm the reputation of the Labour Party with ordinary voters or have no effect on its reputation?

help reputation of labour party	9
harm reputation of labour party	50
Have no effect	32
Don't know	9

25  
 Q.25 Some people have said that the TUC conference should only give help to the striking miners if Mr Scargill and his colleagues first held a national secret ballot to show whether a majority of miners supported the strike or not. Do you think this would or would not be sensible attitude for the TUC conference to take?

sensible	82
not sensible	11
don't know	6

Q.26 Welsh miners were recently fined £50,000 for defying the law. Do you think they are justified in defying it to try to win the strike?

should stay within the law	76
are justified in breaking it	18
don't know	7

Q.27 The Steel unions are worried that if the miners pickets stop coal going into the huge Ravenscraig Steel complex and Scunthorpe the end result will be that the Ravenscraig already in serious trouble, will close with the loss of some thousands of jobs. Do you think this is a serious possibility or not?

serious possibility	86
not serious	9
don't know	4

Q.28 Do you think that the miners should ignore this possible threat to Ravenscraig in the interests of winning their own fight or do you think it is right for them to let coal trains into Ravenscraig and Scunthorpe to safeguard steelworkers' jobs?

should ignore threat	8
let coal trains in	86
don't know	5

Q.29 Another possibility is that miners pickets will try to bring the Power stations to a halt by blockading their supplies of coal and oil. Do you think it right for miners to do this?

right	12
wrong	85
don't know	3

---

Q.30 And what effect do you think such blockading would have on jobs in the electricity supply industry? Do you think it will put a lot of jobs at risk a certain number, or only a few or none

a lot	40
a certain number	30
a few	15
None	11
Don't know	4

---

Q.31 And what about the railways? If the railway workers refuse to let coal trains operate do you think that the loss of freight business involved will or will not put railwayworkers jobs at risk?

Will	75
Will not	18
don't know	7

---

Q.32 Some railwaymen have been taking sympathetic action to support the miners strike. Do you think they should or should not do this?

Should	22
Should not	69
don't know	9

---

Q.33 The railway unions are threatening to start a national work to rule shortly. The chairman of the British Rail has said that there is no real reason for this and has indicated that the whole aim is to support the miners' strike.

Cont'd

Which do you think is nearest the truth..

that the railway unions have a genuine grievance which justifies a work to rule or ..... 17

that there is no real grievance and it is just a cover by their left wing leadership to give support to the miners? 63

Don't know 20

Q.34 The chairman of British Rail has also said that an unjustified work to rule will damage their business and put a lot of railway workers jobs at risk. Do you think this is true or untrue?

true 74  
untrue 19  
don't know 7

Q.35 Do you approve or disapprove of a railway work to rule at this time?

approve 14  
disapprove 72  
don't know 14

Q.36 There is also a threat of another national dock strike of British Steel go ahead with unloading a ship bringing vitally needed supplies of coal. Would you say that the dockers threatening a national strike have a genuine grievance or do you think this also is just a move to help the miners strike?

genuine grievance 14  
move to help miners 76  
don't know 10

Q.37 At the recent talks the National Coal Board offered Mr Scargill and his colleagues a number of concessions including withdrawing the threat of closure from five collieries. Would you say that the Coal Board has gone as far as it could and should to try to end the strike or do you think it should have met Mr Scargill's full demands for no colliery to close whether it was making heavy losses or not?

Coal Board went as far as it could	70
Coal Board should have met Mr Scargill's full demands	16
don't know	15

Q.38 And do you think Mr Scargill and his colleagues were right to refuse the deal offered and break off the talks or do you think they made a mistake and lost a good chance to end the strike?

right	14
made a mistake	78
don't know	8

Q.39 Would you say that if the strike goes on long enough the Government and the National Coal Board will offer more concessions to Mr Scargill or do you think as time goes on the attitude of the government and the Coal Board will harden?

Govt. and Coal Board will make more concessions	15
As time goes on their position will harden	77
don't know	9

Q.40 Do you think Mr Scargill has handled this strike well or badly?

well	13
badly	80
don't know	7

---

Q.41 How much do you think the miners have to gain or lose by keeping the strike going now?

*would you say*      *12-AND OUT*

a great deal to gain	9
a certain amount to gain	9
a certain amount to lose	14
a great deal to lose	62
Don't know	6

---

Q.42 And, finally, one more question, Do you think the other unions at the TUC conference should or should not now start to look seriously for ways to bring the strike to and end?

should	95
should not	3
don't know	3

From: THE PRIVATE SECRETARY



*ccps*  
HOME OFFICE  
QUEEN ANNE'S GATE  
LONDON SW1H 9AT

10 September 1984

*DUB  
199*

*Dear David,*

*with PM*  
Thank you for sending me a copy of your letter to Henry Steel of 3 September covering a letter from Mr Francis Bennion to the Prime Minister about the possibility of prosecutions for conspiracy in connection with the miners' strike.

The Home Secretary has seen the advice offered by the Attorney General, as set out in Henry Steel's letter of 6 September, and entirely agrees with the line that it is suggested the Prime Minister should take in her reply to Mr Bennion. The further letter which the Attorney General has in mind to send to Mr Bennion deals adequately with the role of the police as well as that of the Director of Public Prosecutions, and there is nothing that the Home Office need add.

I am sending copies of this letter to Henry Steel and Michael Reidy.

*I am ever,  
Nigel*

N A PANTLING

David Barclay, Esq.



NAT IND A12  
COAL

11 12 1  
2  
3  
4  
5  
6  
7  
8  
9  
10

- 9 SEP 1984



SECRET

18

P.01378

PRIME MINISTER

MISC 101(84)38th Meeting

You will wish to deal first with coal and then with docks.

Coal

2. On coal, after the usual reports, you will wish to focus the discussion on:

- the latest position in the NCB/NUM talks;
- the Daily Mirror report that the NUM will have a ballot on the outcome of the talks.

Docks

3. On docks, you will wish to ask for the usual reports on:

- the number of ports and dockers working (with particular reference to attendances at Tilbury, following the management ballot);
- the effects of picketing and TGWU efforts to broaden support for the dispute (eg the visit by Mr Connolly to Grimsby and Immingham today; and the attempts to secure support for the strike from lorry drivers);
- any news of civil action in the courts.

SECRET



SECRET

Next meeting

4. A meeting of MISC 101 has been provisionally arranged for 5.00 on on Wednesday 12 September; and there will be a discussion under the Industrial Affairs item at Cabinet on Thursday 13 September.

*PLG*

P L GREGSON

10 September 1984

SECRET

17

Daily Coal Report - Monday 10 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	45	-
(ii) Turning some coal	9	-
(iii) Some men present	15	2
(iv) On strike/picketed out	85	18

20 pits in Yorkshire are now on holiday.

242 miners have reported for work in Scotland - the highest number so far and 18 up on Friday. A record 160 men have reported at Bilston Glen.

Elsewhere, the situation is much the same as last week.

In the North East both Wilkinsons are in at the Easington pit, and there are 17 men at Wearmouth.

29 men have reported for work in Yorkshire. Yorkshire Main and Kiverton Park, where men reported last week, are on holiday this week.

In North Derbyshire 222 men reported at Bolsover, 152 at Shirebrook and 158 at Warsop - a slight improvement on last Monday.

In Kent 24 men have reported at Tilmanstone and 4 at Betteshanger.

Coal Movements

In total 743,000 tonnes were moved last week, of which 535,000 went to the CEGB.

On Friday 34 coal trains ran, and a further 800 tonnes of coal were transported by road to BSC Scunthorpe.

Law and Order

Generally picketing is fairly light. Yorkshire is the main centre of activity with 1200 pickets at Yorkshire Main (4 men in), and 700 at Kellingley (2 men in).

Talks between the NCB and the NUM

The Secretary of State for Energy will report on the latest position at today's meeting of MISC 101.

Distribution: Members of MISC 101, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211 6070



## In whose palm?

The fudge which will end Britain's six-month-old coal strike is already clear. The means by which it will be achieved is less clear, and whether it will avoid another strike in two years time is not clear at all. That is for Mrs Thatcher to decide.

The fudge will embrace the over-generous terms already offered by the coal board chairman, Mr Ian MacGregor, covering redundancy, withdrawal of existing pit closures and consultation over future ones. In return the miners will concede some form of words to allow the closure of at least some uncommercial pits. Since Mr Scargill has sworn he will give "not one inch" on his demand to veto any such closures, the concession will have to involve his defeat, disguised or not.

It is now unlikely that the vehicle of this defeat will be either Mrs Thatcher or Mr MacGregor: the antagonism of Mr Scargill and his supporters is too implacable, the back-to-work movement too hesitant. Nor will defeat come at the hands of the government's inert trade union laws or from some new judge-enforced ballot, which Mr Scargill will disregard. Instead, Mr Scargill's defeat will come from within the union movement itself, as workers refuse to put their jobs at jeopardy to featherbed the miners.

On Monday, the Trades Union Congress took the first shambling step, six months late, towards this defeat when its moderate executive gathered the miners into the bear-hug of "total support"—support which it has neither the capacity nor the intention to deliver. This year's chairman, Mr Ray Buckton of the train drivers, knows about that support: he received it during the 1981 rail strike shortly before he was left bruised and defeated in the ditch. There is still far to go before the TUC finds the nerve to send railwaymen and dockers across miners' picket lines. But its new executive (like its old one) loathes Mr Scargill, and is alarmed by the violence of his miners and the damage they are doing to the union cause. Union members are in revolt, crying out already for the secret ballots which Mrs Thatcher is about to give them.

The TUC may be an ironic weapon for Mrs Thatcher to wave in the face of union militants. But at present it is the best she has. It involves her keeping her ministers' mouths shut—and Mr MacGregor's shut too. The fudge may be unavoidable, but if she keeps quiet now and lets the TUC grapple with Mr Scargill's public intransi-

gence, she should still be able to make it taste like victory. Mr Scargill could then find himself wailing the National Union of Mineworkers' usual refrain about TUC treachery.

Mrs Thatcher did not precipitate this strike any more than did her appointee, Mr MacGregor. But her previous surrenders to the miners, and the surrenders of her predecessors, helped to cause it. Her ability to snatch political credit from the past six months' strife will depend on whether the cabinet can somehow restrain itself from sowing the seeds for yet another coal dispute in two years' time, when a general election will be in the offing. All Britain's major industries have passed through labour upheavals in the past four years as they struggle to modernise in the face of recession and changing markets. They have had to cut staff, reduce capacity and alter work practices. As a result, there have been strikes in the ports, shipbuilding, steel, railways, car manufacture. But out of these strikes have come change and realism.

### Strikes are caused by subsidies

Not in coal. The reason is appeasement: no other British industry has collected so many subsidies from successive generations of ministers terrified of the miners' industrial muscle. Mr Scargill's presidency is the direct consequence of that appeasement. He scored personal successes in 1972 and 1974 and goaded his union leader, Lord Gormley, into the startling defeat of Mrs Thatcher over pit closures in 1981. He has since reduced the Tory government to such a pass that it has closed only 49 collieries, compared with 335 closed by union-dominated Labour governments since 1964. The Thatcher government has meanwhile multiplied subsidies to the coal board since it took office, to an impoverishing £2m per day.

There is in this sense nothing political about the present strike, beyond Mr Scargill's own demagogic oratory. The miners of South Wales, Yorkshire, Durham, Scotland are not so stupid as to believe they can bring down Mrs Thatcher a year after a landslide election victory. The men in these areas are striking, as Mr Scargill says, because their past experience suggests that this is the way to save their jobs and preserve their traditional communities. They know the market will not buy their coal. They follow Mr Scargill because he

promises that he will make the government buy it instead. With Mrs Thatcher's help, it is a promise on which the militant NUM has always delivered.

The significant element in industrial relations revealed by this dispute is the split within all the unions involved. It is a split not between left and right, nor between militant and moderate. It is between the high-productivity and low-productivity sections of each industry. It is between those coal, steel and railway workers who believe they can survive without featherbedding and those who know they cannot. The dispute has injected a brute economic realism into the traditional solidarity of British trade unionism and divided it along precisely the right lines. Miners, dockers, railmen, steel and power workers in the Midlands, the south and even parts of Wales and Scotland no longer feel a sense of historical identity with Mr Scargill's faction within the NUM. When the Labour leader, Mr Neil Kinnock, says he is "with the miners" he is risking being with the wrong ones.

#### Investing in nonsense

The productive workers of Britain will be the losers if the settlement of this strike proves there is still treasury gold at the end of every militant rainbow. Hence it is vital, whatever the outcome of the fudge, for the government to stop hurling big money at coal—and certainly to stop boasting about it. France is cutting coal production by more than a third. West Germany is concentrating its industry on a few efficient pits. The likely result of present British investment plans will be to make the British coal industry still the most highly-subsidised in western Europe, hopelessly uncompeti-

tive against imports. Only constant—and foolish—pressure on the generating boards to burn more coal (with subsidies to pay artificially high prices for it) will maintain even present levels of consumption.

Yet at the weekend, there was Mrs Thatcher's energy secretary, Mr Peter Walker, declaring that once the miners go back to work "the government is willing to underwrite an extension of the plan for coal. . . . This would mean massive investment in the industry. . . . We could become the greatest coal production nation in western Europe." This is precisely the give-away attitude which has wrecked any sense of realism in the coal industry. To promise another colossal £3 billion of public investment to coal at this time—on the basis of productivity conditions most unlikely to be delivered—is a slap in the face of industries, public and private, which have had to tighten their belts during the recession. It is like asking a man to sign the pledge with a case of whisky as the prize. Public subsidies for the coal industry are no more "economically viable" than are Mr Scargill's definitions of closable coal mines.

The defeat of Scargillism will therefore not come when the NUM leader is forced to concede some form of words on uneconomic pits. Mrs Thatcher's style of toughness is oratorical and public. It clearly frustrates her to take a back seat in the coal strike, and it will frustrate her even more if the lacklustre TUC proves the agent of a settlement. But the real test of her toughness will be her willingness to abandon past promises to the coal industry and treat it as she has treated other sacred cows of the public sector. Britain's coal industry must not be left believing it can inflict such turmoil on the nation with financial impunity.

## Canada's upheaval

The triumph of Brian Mulroney's Tories was more than a matter of getting in line with Ronald Reagan's Republicans

For most Americans, most of the time, Canada scarcely exists. This week, however, it made their front pages. The Conservative election victory there (see page 43) has come as an encouraging portent for the Republicans, two months before the United States goes to the polls, for two obvious reasons. First, it conforms to the majority's swing to the right recently shown in several other western democracies. Second, it brings in a government pledged to repair the damage done to relations between the two North American neighbours during the long years of Mr Pierre Trudeau's Liberal rule in Canada.

But Americans would be wise not to view the great Canadian upheaval only in these simple terms. The message from this landslide is not that Canada is falling into step with President Reagan and marching to his tunes. Relations between the governments in Ottawa and Washington may, for some time, glow with new friendliness; but this will not mean that the doctrine of North American continentalism has finally triumphed.



Undoubtedly some part of the Canadian Tories' sweeping success was based on the same kind of swing that other electorates have demonstrated. Canadians, too, have decided to see if a right-wing government can resolve their economic problems, by reducing government intervention and restoring freer markets. But they did not vote against public spending: the Tory leader, Mr Brian Mulroney, has been making expensive promises in many directions. Nor did they vote for big budget deficits in the Reagan manner: Mr Mulroney says the deficit must be reduced, although he has not said how. The votes for the Conservatives were votes for less government interference with business; but the mere fact that, while the Liberals were squelched, the left-of-centre New Democrats held their position unexpectedly well suggests that something more was involved than a prevalent down-with-government, up-with-business mood.

In part, Mr Mulroney won because, for the first time, the Conservatives had a bilingual leader from Quebec

S E C R E T

16<sup>B</sup>

PRIME MINISTER

MEETING WITH DAVID HART

David Hart wants to raise the following issues:

- The situation amongst working miners. He has sent the attached note which lists the various legal actions which are under way.
- His appreciation of what is happening in the docks.
- ~~His~~ appreciation of what is happening at the Coal Board. (He mentioned that he was delighted that Mr. MacGregor would no longer be appearing on the David Frost programme. He had advised against this and will fill you in on the background as to how Mr. MacGregor was advised to accept the invitation).
- Ideas on a possible tour.

AT

7 September 1984

S E C R E T



COVERING SECRET

Copy No 1 of 4



*ccbc*  
*16*

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ  
01 211 6402

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON SW1

7 September 1984

*Dear Andrew*

ENDURANCE

I attach the latest weekly reports on power station endurance and coal and power station statistics.

Copies also go to Margaret O'Mara and Richard Hatfield.

*Yours*  
*John*

J S NEILSON  
Private Secretary

COVERING SECRET

Copy No **10714**  
31 August 1984

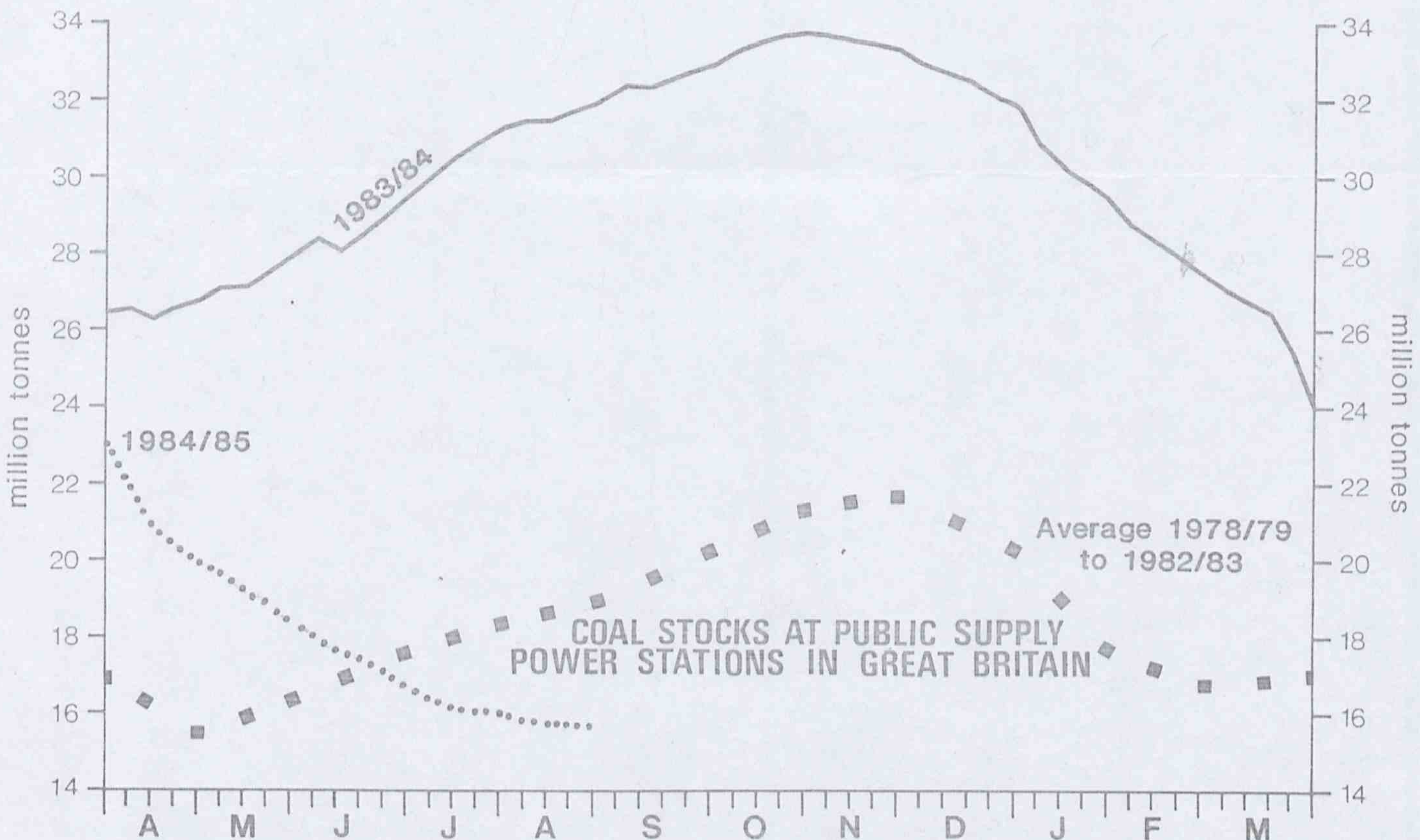
WEEKLY COAL AND POWER STATION STATISTICS (1)

EcS Division, Dept. of Energy, Thames House South, Millbank SW1P 4QJ. Phone: 01-211-6928

Week ending ..... 27.8.83: 4.8.84 11.8.84 18.8.84 25.8.84

COAL	PRODUCTION	deep mines †	1.93 :	0.25	0.41	0.46	0.47
	(m. tonnes)	opencast †	0.31 :	0.21	0.30	0.31	0.28
		TOTAL	2.24 :	0.46	0.71	0.77	0.75
COAL	PRODUCTIVITY(2)	'overall' o.m.s	2.41 :	..	..	..	..
	(tonnes/manshift)	'production' o.m.s	10.14 :	..	..	..	..
UNDISTRIBUTED STOCK							
	(m. tonnes)	TOTAL	23.62 :	22.17	22.37	22.48	22.62
STATIONS	COAL STOCKS	(m. tonnes)	32.28 :	15.79	15.68	15.62	15.63
	COAL CONSUMPTION	"	1.30 :	0.57	0.55	0.54	0.60
	COAL RECEIPTS	"	1.59 :	0.43	0.45	0.48	0.51
STATIONS	OIL STOCKS(3)	"	1.25 :	0.89	0.82	0.83	1.08
	OIL CONSUMPTION(3)	"	0.04 :	0.43	0.45	0.46	0.47
	OIL RECEIPTS(3)	"	0.08 :	0.33	0.38	0.46	0.71
POWER	ELECTRICITY SUPPLIED (4) (GWh)		:				
	Nuclear	"	719 :	622	739	793	701
	Other Steam	"	3,041 :	2,876	2,997	3,059	3,207
	TOTAL	"	3,760 :	3,498	3,735	3,852	3,908
	TOTAL - temperature corrected	"	3,895 :	3,540	3,674	3,921	..

(1) Great Britain unless otherwise stated. All latest figures are subject to revision.  
 (2) NCB mines only. (3) Oil-fired boilers only. (4) Steam stations only.  
 .. data not yet available. † includes licensed production.



SECRET

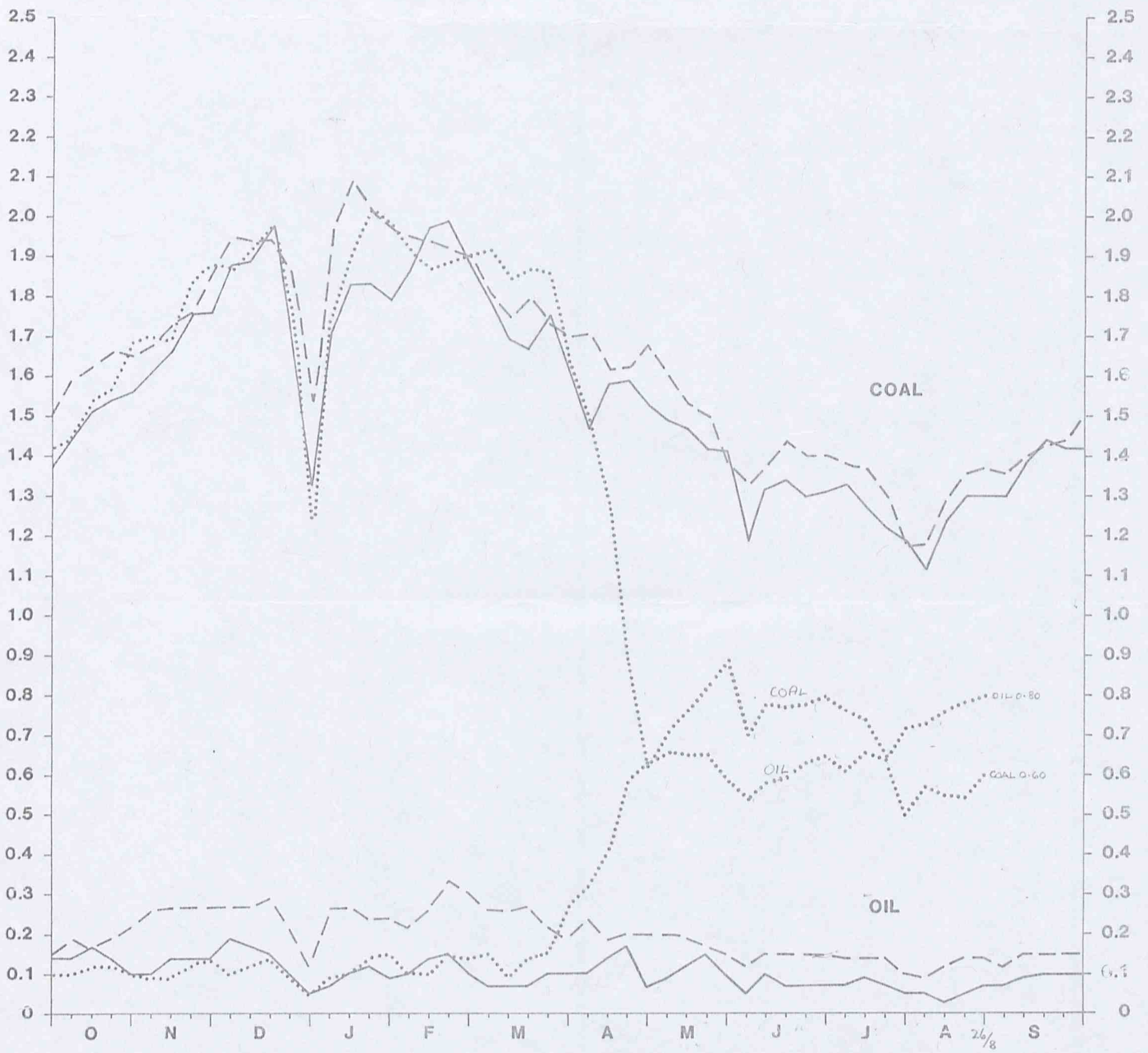
### COAL CONSUMPTION AND OIL CONSUMPTION (OIL FIRED) AT PUBLIC SUPPLY POWER STATIONS IN GREAT BRITAIN

Key

- ..... 10/83 to 9/84
- 10/82 to 9/83
- - - - Average 1977/78 to 1981/82

Million  
Tonnes  
Coal  
or Coal  
Equivalent

Million  
Tonnes  
Coal  
or Coal  
Equivalent



SECRET

Daily Coal Report - Friday 7 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	<u>42</u>	<u>3</u>
(ii) Turning some coal	7	2
(iii) Some men present	17	-
(iv) On strike/picketed out	102	1

Although attendances have dipped slightly in some areas this is normal for a Friday, and today's figures are substantially better than those for last Friday.

A record number of miners have reported for work in Scotland. Again there are 154 men at Bilston Glen. Safety cover is again being provided at all Scottish pits.

The situation in the North East is unchanged with both Wilkinsons in at the Easington pit and 19 men at Wearmouth.

32 men have reported for work in Yorkshire, 1 less than yesterday. In North Derby 231 men reported at Bolsover (compared to 190 last Friday), 150 at Shirebrook (compared to 143) and 140 at Warsop (compared to 134). In Kent, 22 men have reported at Tilmanstone (down by 1 because of intimidation) and 4 at Betteshanger.

Coal Movements

Another very good day. 155,000 tonnes were moved. The NCB estimate that total movements for the week should be around 700,000 tonnes.

45 coal trains ran.

800 tonnes of coal went by road to BSC Scunthorpe. Coke movements from BSCs Orgreave plant are still running smoothly.

Department of Transport report that British Rail remain optimistic that next weeks work to rule will be called off. The unions are having further discussions today.

Law and Order

Some 700 policemen have now been injured since the dispute started. Since Mr Kinnoch condemned violence at the TUC conference on Thursday 36 policemen have been injured.

At Kellingley (North Yorkshire) yesterday where 4,000 pickets gathered, 13 people, including 9 policemen, were injured.

Today's major trouble spot is the Kiveton Park colliery in South Yorkshire where some 3,000 pickets threw a hail of missiles at police as 7 miners (1 less than yesterday) reported for work. There were 8 arrests.

In North Derbyshire 9 were arrested after a police vehicle and Coal Board van carrying working miners were stoned.

In Deal (Kent) a group of pickets waiting for Tilmanstone men overturned a car and caused other damage. 16 arrests were made.

Talks between the NCB and the NUM

It now seems certain that Sunday evening's meeting will go ahead. The latest letter from the union is attached. Its tone is predictable.

TUC

The TUC General Council met after the close of Congress in Brighton today. Afterwards Mr Willis issued a statement claiming that the TUC can deliver powerful support to the NUM (though there are other indications to suggest that the TUC is applying pressure on the NUM for an early settlement of the dispute).

Docks Dispute

The Port of London Authority have stated that in their secret ballot 1,398 men have voted in favour of a return to work, compared with only 41 men wanting to stay on strike. 51.4% of the 2,800 workforce returned their ballot forms.

In Bristol more than 130 dockers have voted to go back to work.

Yesterday's decision by dockers at Immingham to restart ore supplies to BSC Scunthorpe is obviously most welcome. DTI report that lorries are already moving.

SECRET AND PERSONAL

Line to Take

The people of this country wish to see this damaging dispute ended without delay. The Coal Board have made abundantly clear their wish to build a prosperous industry for the future. It is up to the NUM to show on Sunday that they have the interests of their members at heart by negotiating constructively to secure a solution.

Distribution: MISC 101 members, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211 6070

SECRET AND PERSONAL

# NATIONAL UNION OF MINeworkERS

ST. JAMES' HOUSE, VICAR LANE,  
SHEFFIELD, SOUTH YORKSHIRE S1 2EX

President A. SCARGILL

Secretary P. E. HEATHFIELD

Telephone: 0742 700388

Please quote our reference in reply:

Your Ref:

Our Ref: PEH/yf

Mr. N. Smith,  
Director of Industrial Relations,  
National Coal Board,  
Hobart House,  
Grosvenor Place,  
LONDON SW1

6th September, 1984

Dear Mr. Smith,

I am in receipt of the Coal Board's letter dated 6th September, and, in replying must say at the outset that the Union is deeply concerned at the way in which the Chairman of the Board has jeopardized very serious and delicate negotiations by turning them into a media event.

For the sake of the record, we must reiterate that it was the Board which broke off negotiations on 18th July. You will recall that when the NUM requested that talks be reconvened on the following morning, Mr. MacGregor said there was no point in a further meeting and, anyway, he was too busy.

I would remind you that you did agree verbally to all the points in the Union's final draft document, with the exception of clause 3(c), presented on 18th July.

It is clear from your letter that you are deliberately ignoring the revised 1977 Plan for Coal, which projected an exhaustion rate of between 1 and 3 million tonnes per year. We would point out that the actual exhaustion rate of 1.7 million tonnes per year is in line with this projection.

Furthermore, the 1977 Plan for Coal envisages 100 million tonnes of new capacity, not 40 million tonnes as you claim.

Your reference to the fall in energy demand is, again, covered by Plan for Coal, which makes very clear provisions to protect the industry, stating that it "should not be at the mercy of short-term fluctuations in the prices of competing fuels".

The Board's proposals announced on the 6th March planned a 4 million tonnes reduction in annual output; it was claimed that "when this has been done, we will have achieved our objective of balancing output with market demand".

cont'd.....

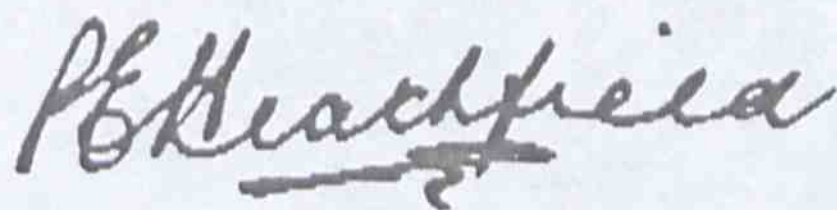


Since the dispute began in November, 1983, 54 million tonnes of coal production has been lost, equivalent to 14 times the reduction in annual output planned by the Board. This point was conceded by you in negotiations, and in view of this the Union is entitled to ask why the Board does not withdraw the pit closure programme, keep open the pits currently under threat and resolve the strike?

The Union has always sought to negotiate a settlement of this costly and damaging dispute. We hope that at the meeting on Sunday, you will be prepared to consider a settlement based on the submissions of the Union detailed in the attached discussion document presented for your consideration on 18th July.

We sincerely hope you will agree to attend the meeting on this basis. I confirm that the Union's team will be available for a meeting on Sunday evening; perhaps you will be kind enough to contact me as quickly as possible in Brighton so that we may make the necessary arrangements with regard to venue, etc.

Yours sincerely,



P.E. HEATHFIELD  
Secretary

SECRET

302 Copy

file

Coal file

14A

PRIME MINISTER

7 September 1984

THE COAL INDUSTRY

The coal industry is comprehensively bust. The activities of the NUM and the attitudes of many NCB managers have contrived to ruin a potentially profitable resource industry. Where nature has endowed our country generously, predatory unions have succeeded in turning a national asset into a national liability.

Last year to March 1984, the Government gave in grants and redundancy payments a total of £1.33 billion (NCB accounts). In addition, the Coal Board added £469 million to its total borrowings. The business now has £5.2 billion of outstanding loans, and has no reserves or equity capital at all.

The auditors pointed out that the Board's provisions for the restoration of land, and future claims for subsidence, may well be inadequate; the Government is committed to continuing payments under the redundancy scheme, and to contributing £65 million a year to top up the pension funds until the early 1990s.

Coal is not a natural monopoly. The sensible management units are the pit and the area. There are no economies of scale by extending the business nationwide. The NCB is a

SECRET

SECRET

large sprawling holding company, which aggregates open-cast, deep mining, coal distribution, peripheral businesses, chemicals and coal products, and estates management. In planning the future of the coal industry, we need to consider both splitting it functionally and geographically.

#### The open-cast executive

Open-cast mining has been limited by the reluctance of a deep-mine oriented management and union to see the more successful open-cast activities expanded rapidly and by planning permission delays.

Last year, open-cast coal accounted for 14 mt out of the 104 mt of total strike disrupted production. Open-cast production could be expanded to above 20 mt, where it would represent almost 20 per cent of planned coal output. It would be profitable - the 14 mt made a £200 million profit last year. It can be done through private sector companies like Taylor Woodrow, and Burnett and Hallamshire, with private investment and TGWU labour.

? Plan m  
output  
now?  
Site - plan  
permission

It would be worthwhile breaking the links between open-cast companies and the NCB for coal distribution; this would help free-up the distribution system. We should also step up production immediately. There are three stages:

- a. Moving to full shift working at all sites, and

- 2 -  
SECRET

SECRET

maximising use of machinery at existing sites.

[Mr Frank Gibb of Taylor Woodrow has told me that prior to the dispute, the NCB was using contract clauses to restrict output considerably.]

- b. Expanding existing sites and opening new sites already with planning permission. [NCB have signed no new contracts during the dispute.]
- c. Getting permission for new sites.

#### Deep mining

The worst 10 per cent of capacity in 1981/82 lost £263 million. The Coal Board tries to even out the misery, closing relatively bad pits around the country where miners can be redeployed and/or where it seems a good idea at the time. The worst three areas - Scotland, Barnsley and South Wales - lost £245 million last year, producing only 18 mt of output.

There are several steps which could be taken, of varying degrees of severity, for tackling the deep-mining activities.

Firstly, new deep-mine investment could be made by private sector companies. Companies like Shell, BP, RTZ, Charter Consolidated, etc, could well take up the opportunity to

SECRET

SECRET

invest in new economic coal production. A start could be made with a joint venture investment. Government cash for investment could then be squeezed.

Secondly, the mines already split into areas for management purposes could be formed into free-standing taxpayer-owned operating groups. Their management, pay, closure and other negotiations could be entirely separate, so that a dispute in, say, Yorkshire would not jeopardise all the other coal fields. A sensible grouping might be North Derbyshire, North and South Nottinghamshire, the South Midlands and the Western area together in one large successful, relatively moderate grouping; the North-East with North Yorkshire, Doncaster and Barnsley; with the Scottish and South Wales areas as separate. Alternatively, the North-East and Western areas could also be separate.

Thirdly, experiments could be made with giving bad mines to miners, along with a substantial capital sum if they were prepared to try and make a go of it themselves. Whilst they would be unlikely to accept, it would have presentational advantages.

Finally, once the mines had been grouped into regions, the introduction of private capital could be considered.

SECRET

SECRET

### Coal Distribution

Last year, National Fuel Distributors handled 1.89 mt, and the Southern Depot Company Ltd, 0.47 mt. They made an operating profit of £12 million in competition with private sector distributors who buy from the NCB and from abroad. The Board also holds a 20 per cent stake in the Gwent Coal Distribution Centre, 66 per cent of the Liverpool Fuel Company, and 49 per cent of the British Fuel Company.

The best treatment for these investments in fuel distribution would be to sell the companies concerned either to trade buyers or on the Stock Exchange. They are profitable, there are private sector comparators to assist pricing, receipts would be received as a contribution to NCB losses, and a further modest step would have been taken to loosen the NCB's hold on the distribution network.

All coal should be moved from the pithead by private sector contractors, stockists and distributors, or sold direct under bulk contract to industry. This would reduce vulnerability of the supply system in the event of disruptions to production.

### The peripheral businesses

NCB did make some progress last year, negotiating to sell their investment in Sankey the builders' merchants, and to

SECRET

SECRET

sell 7 plants from the Scottish Brick Company. This year, they should be encouraged to sell EMS Thermplant Ltd, Horizon Exploration (Holdings) Ltd, to tidy up and give away their engineering business, which has been a heavy loss-maker, and to complete the disposal of Scottish Brick.

They could also contemplate the sale of NCB Coal Products Ltd, their loss-making smokeless fuel and chemicals activity. Again, there are private sector competitors and comparators (eg Coalite). The business is loss-making, but its plant and assets have a value and would probably be better operated under new management. Some of the present loss is created by artificially high transfer prices for NCB coal. None of these small businesses get the management attention they deserve, as senior NCB management is preoccupied with the deep mining activities.

#### Land and buildings

The Coal Board has an unstated estate of considerable magnitude. The report and accounts reveal that it owns 30,000 acres of non-operational land, and 32,000 miners' houses. Last year saw substantial disposals of both land and houses, but the pace should be quickened. Land reclamation and disposal involving private capital should be a profitable activity, and the Board should be set onerous targets in this area. Is all the land currently deemed to be operational needed for operational purposes?

SECRET

SECRET

Conclusions

The first steps in tackling the NCB should be:

1. To encourage the sale of the peripherals.
2. To include in the disposal of the peripherals the sale of the coal processing and distribution businesses and, at the same time, detach them further from the NUM.
3. There should be a blitz on holdings of land and the restoration of derelict land. This is in itself an attractive policy, and could tackle some of the vexed issues of how the communities survive and how new life can be brought into them; whilst at the same time making environmental improvements.
4. Open-cast coal should be expanded, despite environmental opposition, and a target of at least 20 mt should be set for 3 years' time. Immediate action to step up output from existing sites is needed.

These basic measures are not too contentious. The following more contentious steps could also be considered:

1. Splitting the deep mine areas into free-standing, separate area companies, and disbanding the NCB national operation.

SECRET



SECRET

2. Allowing private capital into the development of new mines, on the grounds that we wish to have as much capital as possible, but the enormous losses and cash consumption of the NCB make financing it all within the public sector difficult.
3. Offering the worst mines to miners along with a dowry, for presentational if for no other reason.
4. Abolishing the national average price of coal: this becomes easier if regional companies have been set up, and would allow the economic areas and successful areas to undercut the others, and thereby gain more of the market and create more jobs, whilst lowering the average cost of energy. Some industrialists already buy at advantageous prices compared to the average.

JOHN REDWOOD

SECRET

The Times: Friday 7 SEPTEMBER 1984.

## ... Union says NCB broke off talks

The following is Mr Heathfield's reply to Mr Smith's letter (left):

I am in receipt of the Coal Board's letter and in replying we must say at the outset that the union is deeply concerned at the way in which the chairman of the Board has jeopardized very serious and delicate negotiations by turning them into a media event.

For the sake of the record, we must reiterate that it was the Board which broke off negotiations on July 18. You will recall that when the NUM requested the talks he reconvened on the following morning, Mr MacGregor said that there was no point in a further meeting and anyway he was too busy.

I would remind you that you did agree verbally to all the points in the union's final draft document with the exception of clause 3 (C) [the point on uneconomic pit closures] represented on July 18.

It is clear from your letter that you are deliberately ignoring the revised 1977 plan for coal which projected an exhaustion rate of between one million and three million tonnes a year.

We would point out that the actual exhaustion rate of 1.7 million tonnes a year is in line with this projection. Furthermore, the 1977 plan for coal envisages 100 million tonnes of new capacity, not 40 million tonnes as you claim.

Your reference to the fall in energy demand is again covered by plan for coal which makes very clear provisions to protect the industry, stating that "it should not be at the mercy of short-term fluctuation in the price of competing fuels."

The Board proposal announced on March 6 planned a four million tonnes reduction in annual output. It was claimed "When this has been done we will have achieved our objective of balancing output with market demands".

Since the dispute began in November, 1983, 54 million tonnes



Mr Ned Smith: Hope for a "reasoned settlement."

of coal production has been lost, equivalent to 14 times the reduction in annual output planned by the Board.

This point was conceded by you in negotiations and in view of this the union is entitled to ask why the Board does not withdraw the planned pit closure programme, keep open the pits currently under threat, and resolve the strike.

The union has always sought to negotiate a settlement of this costly and damaging dispute. We hope that at the meeting on Sunday you will be prepared to consider a settlement based on the submissions of the union detailed in the attached discussion document (which was not disclosed to journalists) presented for your consideration on July 18.

We sincerely hope you will agree to attend the meeting on this basis. I confirm that the union's team will be available for a meeting on Sunday evening.

Perhaps you will be kind enough to contact me as quickly as possible in Brighton so that we may make the necessary arrangements with regard to venue etc."

SECRET

14

MR TURNBULL

7 September 1984

SPRINGHILL OPEN CAST COAL SITE

Departments are making a mountain out of a mole hill. There are only two practical alternatives open to us to speed this up.

Option 1

The Attorney General has advised that the Secretary of State for the Environment can implement the conditions of the original site authorisation granted in 1980 under the Open Cast Coal Act, 1958 without going through the time-consuming procedures of the Town and Country Planning Act, 1971.

The Secretary of State may determine the outcome of any disagreement between the NCB and Staffordshire County Council, ie whether or not coal should be moved by road. As Staffordshire are likely to object to a positive decision, Patrick Jenkin would appoint an inspector to hear oral evidence from the two principal parties, viz the NCB and the County Council. Third parties such as the Friends of the Earth would be able to submit written representations and could be heard at the inspector's discretion. But they could not prolong the hearings. There is no reason why this process should take more than a couple of weeks.

SECRET

SECRET

There is a risk that the inspector may give greater weight to the original planning criteria which ruled out road transport than he does to the current industrial dispute. But the Board are only asking for a temporary waiver of the original conditions until rail transport is restored.

There is also little risk if Staffordshire appeal against a positive decision. The powers of appeal are very limited and an action brought to the High Court could only review whether the correct procedures have been gone through and the correct questions asked. The High Court could not go back to first principles and assess the judgements involved in the Secretary of State's decision. If the case did go to appeal it could be heard very quickly.

The NCB's original request was to transport 1,000 tonnes of coal per week from this site. They now wish to increase this quantity to 15,000 tonnes per week. We would still expect a positive decision in principle although the inspector may recommend a lower level of transportation than 15,000 tonnes in order to protect the local residential roads from undue disruption.

#### Option 2

The alternative approach is for the NCB to go to the courts and seek a declaration of emergency. The original

SECRET

SECRET

site authorisation allowed the possibility of non-rail transport in an emergency.

However, the nature of the emergency was not defined. The courts will probably consider "emergency" more in relation to the matter of safety of the site and operational procedures rather than in the context of the current industrial dispute. Furthermore, an action which stressed the emergency nature of the current dispute would create the wrong psychological climate.

We consider that this option is of significantly higher risk than the first alternative.

#### Conclusion

We recommend that Patrick Jenkin should proceed with Option 1 without delay.

The NCB should formally ask the Secretary of State to determine the outcome of the current dispute under the provisions of the 1980 site authorisation. Even if an Inspector has to be appointed and the case goes subsequently to appeal, this procedure need not take more than a couple of weeks.

We consider that the risks of this approach are acceptable.

  
DAVID PASCALL

SECRET  
- 3 -

SECRET



Copy No / of 10

13

SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ

01 211 6402

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

7 September 1984

*Dear Andrew*

SPRINGHILL OPENCAST SITE

I am writing to let you know of a new development at the Springhill Opencast Site. The National Coal Board have just told us that in spite of preventive measures heating has developed in one of the three stock piles at the site, which contains 63,000 tons of coal. The only way to deal effectively with the situation is to remove the coal.

As you know, the NCB have already informed Staffordshire County Council that in their view the absence of rail transport from the site has created an emergency which would justify them in moving coal from the site by road under the condition attached to the authorisation to work the site. The Board now propose to inform the County Council this morning that heating has developed, adding a new and very urgent element to their case that there is an emergency justifying the use of road transport. They will tell the Council that they intend to move coal from the site urgently and will seek the Council's immediate view on how this can be done by road with least effect on the local environment.

We have informed the Department of Transport of the new development, and they have at our request agreed to contact British Rail to see whether the new situation provides an argument which might persuade signalmen to remove the embargo on rail movement from the site. If this were successful, the intention would be to use both rail and road movement in the short term to move the coal.

The NCB have to identify at short notice hauliers ready to provide lorries which can move coal in this condition. The CEGB for their part have already told us that they are ready and able to take this coal.

These developments may if all goes well lead to early movement of coal from the Springhill site. It remains to be seen whether, if the coal which is over-heating is moved, it will prove possible to move the remainder of the stock without new obstacles.

SECRET

SECRET



However, we shall still need to resolve without delay the legal debate in which we have been engaged, since the planning permissions governing other sites from which the NCB may need to move coal do not contain the same condition explicitly permitting movement other than by rail in the case of emergency.

I am copying this letter to John Ballard (Environment), Dinah Nichols (Transport) and Henry Steel (Attorney General's Office).

*Yours sincerely*

*Michael Heseltine*

M F REIDY  
Private Secretary

SECRET

SECRET AND PERSONAL

PRIME MINISTER

DOCK STRIKE: TRANSPORT OF LIVESTOCK FROM ORKNEY AND SHETLAND

1. I spoke to you yesterday about the difficulties which have arisen as a result of the dock strike, for the transportation of livestock from Orkney and Shetland. I thought it would be helpful to set out the background for colleagues. The issue is not yet explosive, but it may soon become so.

2. Orkney and Shetland depend for surface access on shipping services provided by P & O, and which the Government subsidises. There is a roll-on/roll-off service (carrying passengers, cars and commercial vehicles) from the north coast of the mainland to Orkney, and this is continuing to operate normally. The roll-on/roll-off service to Shetland and freight services to both Orkney and Shetland run from Aberdeen, and these are being disrupted. The dockers are allowing "dispensations" for the carriage of essential freight. Unfortunately, however, this is the season for exporting very large numbers of cattle and sheep from the islands for sale in Aberdeen. As is their usual practice, P & O have chartered in two specialised vessels for this purpose, and they are now on station. The island farmers depend on these transport arrangements running smoothly, both to recover their money and because natural supplies of feed on the islands dry up, as autumn approaches. Delay in transporting the livestock lowers its sale value and creates cash flow problems for the farmers. In the case of Orkney they will require to use up winter feed stocks, which will have to be replaced at a cost later; in the case of Shetland there may already be a shortage of feed stock. Around 12,000 cattle and 65,000 sheep are transported to the mainland in this way each year.

3. After initially deciding that they would not agree to any special arrangements for transporting the livestock, the Aberdeen dockers decided earlier this week to grant a dispensation for the carriage of limited numbers of animals on P & O's own vessels (which have the capacity because they are being inhibited from doing their normal work); but the dockers also decided that they would not handle the specialised chartered vessels on the grounds that they are foreign registered. (This is an entirely bogus point, since there are no such British registered ships available.) Using their own resources under this dispensation, P & O will be able to carry each week only a quarter of the usual level of livestock.

4. The shipping company's judgement is that it should, at least for the moment, continue to play cool, transporting as much livestock as it can, and hoping to wrest further

MISC 101 Folder for  
Monday

12<sup>A</sup>



concessions. In my view, this is right. It is far from clear that the company would be able to run a successful circumvention of the dockers (for example by sailing the chartered vessels into other non-scheme ports). This would give rise to significant logistical difficulties in caring for the livestock and in arranging its onward transportation. The dockers would certainly retaliate by withdrawing their concessions for the transport of other essential freight, and could close down the North Isles shipping services completely. This could be made easier if action by P & O or ourselves was to alienate the National Union of Seamen and encourage them to come out in support of the dockers. I am also conscious of the possibly wider effects of any hard line which we might take in Scotland.

5. For the moment, therefore, my public stance is that the limited concession offered by the dockers early this week is a useful start; that we must however go on asking them to reconsider their position in the light of the serious economic consequences for the islands; and to point out the complete lack of justification for refusing to handle the chartered vessels.

6. All of this is clearly very unsatisfactory, and we cannot continue in this way indefinitely. There is to be a further meeting of the Aberdeen dockers next Monday, and we are taking every step to increase the pressure on them before that meeting. The Islands Councils understand our difficulties, and I think the Scottish NFU does likewise. But we must expect that public pressure will mount for some kind of action, and the time may come when we shall have to press P & O to take other steps. I will of course keep colleagues informed if and when that stage is reached.

7. I am copying this letter to members of MISC 101 and to Sir Robert Armstrong.

G of C  
GRAY OF CONTIN

SCOTTISH OFFICE  
6 September 1984

Huntersdon

80 p/ks

Fleetwood - 200

Teeside - out.

Bristol 120

12

P.L.A. - closed shop.

Bun & Mann in.

N.I.L.B. - Grimsby.

SECRET

P.01376

PRIME MINISTER

MISC 101(84)37th Meeting

You will probably wish to deal first with coal and then with the docks.

Coal

2. You will want to ask for the usual reports on:

- pits and miners working;

42 3

102 +1

- coal movements;

- Movement - May.

- law and order

(there was heavy and violent picketing at one Yorkshire pit, Kellingley, today).

6.500

2 days -

3 =

3. The subjects on which you will wish to concentrate in discussion are:

- the latest position on the NCB/NUM talks;

- the prospects for industrial action in support of the miners by other unions

(eg the latest news about the threatened action on the railways next week, and the present assessment of the likelihood of action by the power station workers).

Great North - no -  
Orpington -

SECRET

SECRET

4. It would also be useful to have a brief discussion about two environmental matters affecting the coal strike, ie:

Letter from DoE  
has been sent  
and is in folder  
Ditto, but see  
also Policy Unit  
Comment.

i. the possible suspension of the Clean Air Acts;

ii. the relaxation of planning conditions about road movements from certain opencast sites.

Energy

A-G.

The Parliamentary Under Secretetary of State, Department of the Environment (Mr Waldegrave) has been invited to give DoE comments on both items. On i. it is for the Secretary of State for Energy to open the discussion by saying whether he thinks that suspension of the Clean Air Acts would be useful and desirable. On ii. it will be for the Attorney General to say whether there is scope for expediting the planning procedures further, in the light of your request to him to look into the matter again at the last meeting.

#### Line to take on coal

5. It will be necessary to give some guidance on the line to take on coal over the weekend, particularly in the light of the latest position on the NCB/NUM talks.

#### Docks

6. You will want to ask for the usual reports on:

- the number of ports and dockers working;
- the extent and effectiveness of picketing and sympathetic action;  
(bearing in mind particularly Mr Connolly's appeal to the TGWU lorry drivers)
- the PLA management ballot;
- the complaint to the National Dock Labour Board about the handling of fish at Grimsby;

SECRET

SECRET

- any news of civil action in the courts.

Line to take on the docks

7. There will also need to be guidance on a line to take on the dock strike. The PLA management ballot, whose result will be known before the weekend, will be important in this context, and also any further statements by port employers that dockers who defy their union will not lose their jobs.

Next meeting

8. The next meeting has been arranged for 5.00pm on Monday 10 September.

*PLG*  
P L GREGSON

6 September 1984

SECRET



SECRET

*copy 1 CCNO*  
2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434  
*11*

My ref:

Your ref:

*6* September 1984

*Dear Secretary of State*

OPENCAST COAL SITE AT SPRINGHILL, STAFFORDSHIRE

*PT11*  
You will have seen Michael Havers' reply of 4 September to Ian Gow's letter of 29 August seeking legal advice on ways of permitting movement of coal by road from this site. I am now writing to you to let you know my views on the options available to the National Coal Board.

In April, the Board sought the agreement of Staffordshire County Council to remove 1,000 tonnes per week by road from this site, a request which was refused by the Council in June. It is therefore open to the Board to ask me to determine whether the removal of this amount of coal from this site should be permitted. In view of what Michael Havers says in his letter, I should not need to follow the formal Section 36 route in determining this question but on grounds of natural justice I must give both the Board and the Council an opportunity of a hearing if either requests this. The information that I have suggests that the Council are likely to do so.

I would, of course, ensure that the hearing was arranged at the earliest possible moment and that a report of that hearing was placed before me expeditiously. We should then need to take a decision upon it. I must point out that since there were apparently good planning reasons why the condition was imposed in the first place it is not a foregone conclusion that the person who takes the hearing will recommend removal or modification of the condition, or that if this is the case we can easily find arguments for overturning this view on policy grounds which will not be challengeable in the High Court.

I understand that the Board may now be considering whether they need to move a greater amount of coal than 1,000 tonnes a week from the Springhill site. If that is so, since I can only act in default of agreement with the County Council, the Board would need to make a formal request to that Council setting out how their needs differ from those described in their April letter and asking again for the modification of the condition. If the Council refused to agree, then the same procedure could be followed. But the Board can of course pursue this course in parallel with asking me to determine the matter already refused by the County Council.

SECRET

S E C R E T

In addition to these two options, it is of course still open to the Board either to take the view that in the terms of the planning condition an emergency exists and that therefore they can begin to remove the coal (a course which runs the risk of the Council immediately instituting enforcement action including service of a stop notice after 3 days, after which continuation of road movement would be a criminal offence until the enforcement appeal had been decided) or to seek a declaration from the Courts that such an emergency exists.

I am copying this letter to the Prime Minister, Michael Havers and to Sir Robert Armstrong.

*Yours sincerely*

*A. H. Davin*

*for*

PATRICK JENKIN

(approved by the Secretary of State  
and signed in his absence)

S E C R E T

The Rt Hon Peter Walker MP

NAT IND

AT 12  
COAL

SECRET AND PERSONAL

10  
BDaily Coal Report - Thursday 6 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	3
(ii) Turning some coal	7	2
(iii) Some men present	17	-
(iv) On strike/picketed out	102	1

Again the picture is encouraging, and attendances are up.

Two further pits, Bettshanger (Kent) and Arkwright (North Derby) have now moved from category (iv) to (iii).

A record 223 men have reported for work in Scotland, including 154 at Bilston Glen (up 1 from yesterday).

The NUM have withdrawn safety cover at five pits, though the encouraging development is that the pit deputies union (NACODS) is now co-operating with management.

In the North East both Wilkinsons have reported for duty at Easington pit. 2 further men have reported at Wearmouth, bringing the total to 19.

SECRET AND PERSONAL



SECRET AND PERSONAL

33 men have reported for work in Yorkshire (up 2 from yesterday). The breakdown is as follows:-

Kellingley	-	2	
Allerton Bywater	-	5	
Gascoigne Wood	-	2	
Elsewhere in the Selby complex	-	4	
Yorkshire Main	-	4	
Markham	-	3	
Carcroft	-	1	
Kiveton Park	-	8	(up 1, despite 3,000 pickets yesterday)
Silverwood	-	2	
Brookhouse	-	2	

In North Derby attendances have risen at Bolsover (239, up 4 on yesterday), and Warsop (159, up 1), though at Shirebrook, where there are 300 pickets, numbers have declined by 3 to 155.

4 men have reported at the Arkwright pit which has now come into category (iii) for the first time.

In Kent there are again 4 men at Bettshanger and 23 at Tilmanstone.

Coal Movements

Yesterday was even better than Tuesday. 152,000 tonnes were moved - the best daily figure since late May.

41 coal trains ran.

1,000 tonnes of coal went by road to BSC Scunthorpe.

Movements of coke from BSCs Orgreave plant have proceeded

SECRET AND PERSONAL

SECRET AND PERSONAL

without disruption.

Law and Order

There was trouble at Kellingley (North Yorkshire) where 3,000 pickets gathered. There were scuffles with several police injured and an ITN camera car overturned and burnt.

There was also trouble in the North East, with 500 pickets at Wearmouth and 7 arrests. At Westoe NCB clerical staff were barricaded in their offices by 250 pickets. At Hawthorne pit, where 450 pickets gathered, the single miner who reported yesterday stayed away today.

In Kent, 3 men have been arrested following yesterday's serious assault on a maintenance engineer at Tilmanstone. The situation there this morning is fairly quiet.

Talks between the NCB and NUM

The NUM's response (text attached) to the Coal Board's formal invitation to talks gives little cause for optimism that the union is approaching the talks in a constructive spirit. For its part, the Board has today written to the NUM reconfirming its wish to talk on Sunday and reiterating its desire to obtain a reasoned settlement based on the draft discussion document tabled in July. A copy of the Board's letter is also attached.

Docks Dispute

DTI report that a further coal ship is due to dock tomorrow at Hunterston.

SECRET AND PERSONAL

D/Transport report that dockers at Goole have decided to strike following a visit by pickets from Dundee. These pickets are now believed to be heading for Teeside and Immingham.

The Port of London Authority are understood to expect the result of the ballot of their workers tomorrow.

Rail Dispute

D/Transport report that British Rail are still hopeful that the threatened work to rule may yet be averted. Talks are continuing.

Line to Take

The Coal Board have done everything they can. It is now up to the NUM to confirm finally that they will attend Sunday's meeting, and to approach that meeting in a constructive spirit.

[See also attached extract from speech to be delivered by Secretary of State for Energy to tonight's Scottish CBI dinner].

Distribution: MISC 101 members, Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211 6070

Text of letter from Mr Heathfield to the NCB

"I am in receipt of your letter dated September 5, reiterating Mr MacGregor's offer to reopen negotiations with the NUM on Sunday at a mutually agreed location.

I hope the board will attend this meeting so that the matter on which you broke off negotiations in July can be resolved, and that you will now drop your demands for the closure of so-called uneconomic pits which started off the dispute, and which is of course in violation of Plan for Coal.

We hope therefore that when the two sides meet the coal board will be able to confirm its verbal undertaking to:

1. Withdraw the pit closure programme announced on March 6.
2. Keep open the five pits - Polmaise (Scotland), Herrington (Durham), Cortonwood and Bullcliffe Wood (Yorkshire), and Snowden (Kent), currently under closure threat.
3. Reach agreement with the NUM regarding the exhaustion of colliery reserves on the basis of Plan for Coal.

As indicated previously, we want to see an expanding and developing industry in line with the Plan for Coal, and in the interests of British miners, their families, and the entire nation. We await your reply."

TELEPHONE  
01-235 2020

TELEX 882161 HOB

NATIONAL COAL BOARD  
HOBART HOUSE  
GROSVENOR PLACE  
LONDON SW1X 7AE

P. E. Heathfield Esq.,  
Secretary,  
National Union of Mineworkers,  
St. James' House,  
Vicar Lane,  
SHEFFIELD,  
S1 2EX.

6th September, 1984

Dear Mr. Heathfield,

I refer to your letter of 5th September. It is not the wish of the Board to continue the public conjecture on the question of arrangements between us with regard to meetings. We think it necessary, however, just to recall that at our last meeting on 18th July the Board did not break off negotiations. As you know, after many hours of negotiation on the Board's discussion document related to Clause 3(c), we mutually agreed that there were no grounds for further progress to be made.

It is also important to point out that, contrary to the statement in your letter, the Board did not, either in writing or verbally, agree to the course of action implied by the three points contained in your letter. What we did propose was clearly set out in our draft discussion paper, a copy of which I attach herewith since you may not have it with you at the Brighton Conference. You will also recall that in making these proposals, intended to assist you in reaching a solution to the present dispute, they were to be taken as a "package". It was because you were unwilling to accept these proposals in the whole that the negotiations broke down.

We also regard it as important in this letter to reiterate once again that the Board's proposals put to all the Unions on 6th March for a reduction in output were not in violation of Plan for Coal, as the NUM repeatedly assert. The Plan for Coal anticipated that in the decade up to 1985 capacity would be closed at a rate of between 3 and 4 million tonnes a year. The Plan also envisaged that during the same period, of the order of 40m. tonnes of new capacity would be constructed. As you will know, by the end of the year 1983/84 only some 14m. tonnes of capacity was closed, an average of 1.7m. tonnes a year. During that period, however, 19m. tonnes of new capacity was constructed and was in operation, and a further 24m. tonnes was under construction which will come into operation within the next 3 or 4 years.

The great difficulty that beset our industry, in common with many other industries, was that the demand for energy envisaged in the Plan fell short by about 100m. tonnes of coal equivalent, and despite the fact that our industry maintained, indeed marginally increased, its share of the market, by the end of the last full year of normal operations, i.e. March 1983, there were 56m. tonnes of coal in stock in this country including

/cont...

28m. tonnes held by the Board. This was an all time record stock, increasing at the rate of 8m. tonnes a year at an annual cost in excess of £350m. a year.

As you know, output was reduced last year by 4m. tonnes with an associated manpower reduction which was achieved on an entirely voluntary basis. The Board's proposals made on 6th March at the request of all the Unions in the industry was to achieve a further reduction in output of 4m. tonnes, bringing supply and demand into balance. Again it was envisaged that the associated manpower reduction would be achieved on a voluntary basis. Given that output and demand could have been brought into balance this year, it was the intention that we would jointly continue to attack the market and from a stable base of 100m. tonnes of output begin to expand our sales. We find it difficult to understand how the events briefly outlined above can repeatedly be described by the NUM as a willful breach of the principles of the Plan for Coal.

It has always been our wish to obtain a reasoned settlement to the dispute to end the hardship and division within the industry, and we hope that at our meeting with you on Sunday next you will be prepared to consider this objective based on the movement by the Board contained in the attached discussion document last considered in July. We sincerely hope that you will agree to attend the meeting on this basis.

I confirm that the Board team will be available for our meeting on Sunday evening and perhaps you will be kind enough to contact me later today at my office so that we may make the necessary detailed arrangements with regard to venue etc.

Yours sincerely,

Ned Smith

NCB PROPOSED DISCUSSION DOCUMENT 18TH JULY 1984

The NCB and the NUM have examined the current situation, in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On March 6th the NCB put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individual Areas.
2. The following collieries referred to specifically by the NUM - namely
  - (a) Polmaise
  - (b) Herrington
  - (c) Cortonwood
  - (d) Bullcliffe Wood
  - (e) Snowdownwill continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under section 3 below.
3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply:-
  - (a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.
  - (b) Collieries facing severe geological difficulties, i.e. safety, again in line with the principles of the Plan for Coal, will be closed by joint agreement.
  - (c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable and which can be beneficially developed, such a colliery shall be deemed exhausted.
4. On the basis of the above arrangements the Board and the Unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing a developing and expanding coal industry equipped to meet future energy requirements.

THE POSITIVE PLAN FOR COAL OR CONFLICT, VIOLENCE AND DISASTER

SPEECH BY PETER WALKER, SECRETARY OF STATE FOR ENERGY TO  
SCOTTISH CBI DINNER, GLASGOW ON 6 SEPTEMBER 1984

If Britain is to recover from the worst world recession this century, there is a desperate need for Government, Industry and the Unions to work in collaboration for our economic success. If, as a nation we wish in the coming decades to provide generously for the elderly, to have health and education services that are the envy of the world, to have leisure and cultural facilities for all to enjoy as technology lessens the burdens of monotonous and unattractive work, then we have to achieve economic success on a scale unprecedented since the war.

I could not illustrate the importance of collaboration between Government, Industry and Unions more effectively than by pointing to the opportunities, as opposed to the potential disasters, that face the coal industry.

In 1974 a Labour Government, with a sensible Secretary for Energy in Eric Varley, agreed a Plan For Coal with both the Coal Board and the Unions.

A Plan designed to give Britain a coal industry that would take advantage of our geological gifts so as to give British industry low cost energy and to give the miners good opportunities of prosperity. The Plan had three ingredients. One - a massive investment programme, of necessity financed by Government due to both its scale and the loss-making position of the Coal Board. A programme to develop 42 million tonnes of new capacity in new coal fields and new coal faces where with the most updated machinery coal can be produced at low cost. Two - an eradication of coal capacity in pits that were no longer safe and where the stocks of coal that remained could no longer be



produced other than an exorbitant cost. The Plan For Coal envisaged that, on average between three & four million tonnes of such capacity would be closed each year. Three - that with the collaboration of the miners in operating the new machinery and the new capacity, productivity would improve by 4% per annum. Alas, only one of these three prime objectives has been achieved - only achieved but exceeded - exceeded because this Conservative Government has for five years put more than £2 million a day of new capital investment into the industry.

We have invested £650 million more than was envisaged in Plan For Coal. We are fulfilling the objective for new capacity. The 42 million tonnes of new capacity is now either already in operation or is under construction - 19 million tonnes of new capacity in operation and a further 24 million tonnes will come into operation within the next three to four years.

The withdrawal of three to four million uneconomic capacity per annum has not taken place - only half of that target has been fulfilled - an average of only 1.7 million tonnes a year.

The improvement in productivity has not been obtained - indeed the improvement in productivity of 4% which was envisaged each year was hardly achieved over ten years.

When, therefore, the Coal Board and the Unions now look to the future they must devise a Plan which fulfills the three M's of economic success - Money, Markets and Men.

Money only the Government can provide in the present insolvent state of the NCB. We will, if the Unions are willing to create a fine industry for the future, provide money. £3 billion of further investment over the next few years - money to be invested in splendid new pits like Asfordby and Selby. Money to develop exciting coal fields already identified from the Coal Board's extensive exploration programmes. Money to give the British coal industry the best mining machinery and the best

coal faces in Western Europe. Money to develop research and development in the liquification and gasification of coal.

Whilst France halves its coal industry and the German industry declines, the British Government is willing to invest in the future of our industry.

But, of course, it would be a blatant nonsense to invest money in pits where the nature of the coal stocks would mean producing coal at £100 a tonne when there are investment opportunities to produce coal at a quarter of that cost. British industry, if it is to succeed and to create more jobs, needs to exploit the cheapest way of producing coal.

The British coal industry, if it is to expand and not contract, needs to achieve a competitive price for coal.

This of course is the second M - Marketing.

I believe that in 1984, with the Government grants I was willing to provide, 1,000 British firms could have been encouraged to convert to coal burning. Due to the totally unnecessary industrial action, coal burning firms are considering converting to other fuels. With an agreed Plan For Coal - a plan in which investment would take place and the Unions would not strike - we could achieve a substantial expansion of our domestic market in coal.

With Europe's coal industries in decline, we could become the prime coal providers for the European Community. There are considerable marketing opportunities for specialist cokes and fuels in the Mid West and East coast of North America. But dynamic marketing can only succeed if the product is competitive and delivery is guaranteed. There are no markets for high priced products and uncertain delivery.

The third M - and perhaps the most important - is Men. Miners

thoroughly deserve earnings way above the average. If the industry is to succeed, it will be because of the miners and they will deserve their reward for that success.

I have no doubt that Trade Union Leaders of the calibre of Ernie Bevin and Bill Carron - giants from the past - would, with an employer who was willing to put in £3 billion of new investment, negotiate for their members a share of the improved productivity that would give them a prosperous future.

Because of the importance of the men, the Government provided the money this year to see that they would have a good wage increase.

The Government is willing to provide the money so that, if new technology and the development of new economic pits and the phasing out of some of the older and more exhausted pits means that less men are required, this will not be achieved by compulsory redundancies, but in the main by early retirement on the most generous terms for those miners who wish to volunteer for such an opportunity.

Also, in the interests of the men and the communities in which they live, over the past few months the Board have announced, with the financial backing of the Government, that a new company has been launched to provide finance, advice and accommodation for new enterprises and new businesses in mining communities. Pits have always closed. 330 pits closed in the last eleven years of Labour Government without any Coal Board facilities to encourage new enterprises in mining communities.

For the men, therefore, there is available a Plan for Coal with prospects unparalleled in any mining industry in Europe.

The NUM have a unique opportunity which must be the envy of most industries in Britain and most unions in Britain. I only hope that the NUM will have the economic success of the industry and

the prosperity of its members in mind so that it can grasp the opportunity of achieving a prosperous and successful coal industry.

A peaceful participation in success is on offer - conflict, violence and disaster would be a crazy alternative.

SECRET



ADPM

AT 619

2 MARSHAM STREET  
LONDON SW1P 3EB

01-212 3434

My ref:

Your ref:

6 September 1984

Dear Secretary of State

MISC 101: CLEAN AIR ACTS

The Ministerial group on coal (MISC 101(84)35th) raised the question of whether it would be possible or desirable to vary or suspend the provisions of the Clean Air Act 1956 so as to allow wood and other fuels to be more widely used by domestic consumers in substitution for coal and coal products.

As I am unable to attend the meeting of the Group tomorrow, I have asked William Waldegrave to report on this. You may, however, find it useful to consider the following in advance of the meeting.

#### BACKGROUND

Section 11 of the Clean Air Act 1956 provides for local authorities to make smoke control orders prohibiting the emission of smoke from buildings including dwellings, in any part of their districts. Section 9 of the Clean Air Act 1968 makes it an offence for anyone to burn or sell fuel which is not "authorised" (ie, smokeless or capable of being burnt smokelessly) in a smoke control area.

#### METHODS OF SUSPENSION

Under Section 11(7) of the 1956 Act, extended by Section 9(4) of the 1968 Act, the Secretary of State has the power to suspend, for a specified period, all or part of Section 11 of the 1956 Act and Section 9(1)e(z) of the 1968 Act (ie the operation of smoke control orders and the provisions relating to the sale and use of fuel.) Suspension is by statutory instrument, but it is exempt from Parliamentary control (under S33(1) of the 1956 Act.) Such orders could therefore be brought into operation very quickly (within 24/28 hours). Orders may be local - covering particular orders or local authority areas, or national, giving blanket suspension over the whole of England. It would be a relatively simple matter to reinstate the smoke control orders. The procedure has been used before; during the 1973/74 miners strike, when a large number of local orders were made; and also in 1979. A blanket order for England was also drawn up in 1978 for possible use in a national emergency.

#### DESIRABILITY OF SUSPENSION

We have no definite information on the effects on air quality of part suspension. The duration and extent of the suspension

SECRET

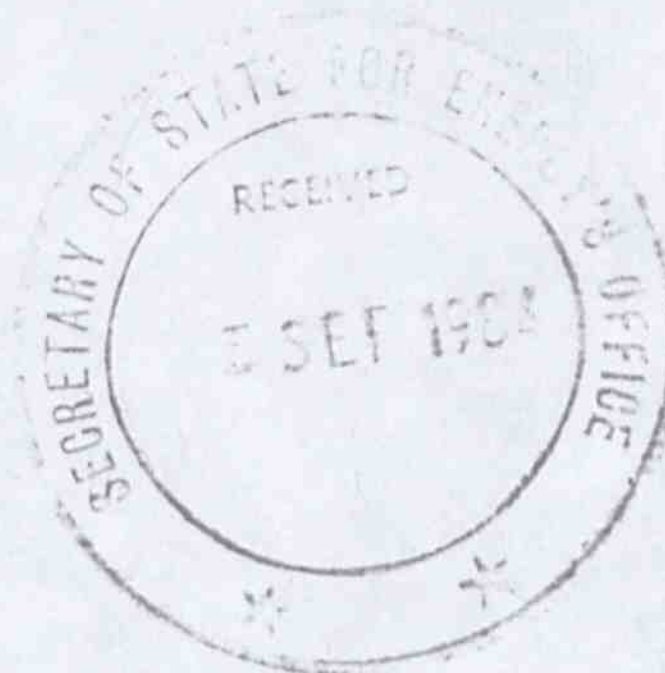
TELEPHONE  
01-235 2020

TELEX 882161 HOB

Coal file  
NATIONAL COAL BOARD  
HOBART HOUSE  
GROSVENOR PLACE  
LONDON SW1X 7AE

5 September 1984

P E Heathfield Esq  
Secretary  
National Union of Mineworkers  
St James' House  
Vicar Lane  
SHEFFIELD  
S1 2EX




Dear Mr Heathfield

Following the Chairman's most recent offer, I confirm that we will be at a mutually agreed location at 7.00 p.m. on Sunday 9 September. If the time or date are inconvenient to the NUM, we will agree with you a mutually convenient arrangement.

I hope that you will attend so that the problem upon which our talks broke down in July can be solved, and that the closure of uneconomic pits can be dealt with in accordance with the principles of the various Reports on the Plan for Coal. I hope also that you will constructively discuss the manner in which the huge investment that we are willing to make in the industry can be applied and operated so as to create a successful, solvent and prosperous industry to the benefit of the miners, their families and the nation. I expect to see you on Sunday or at as early a date thereafter as is mutually convenient.

In the absence of Mr Smith, I hope you will be in touch with me as soon as possible to make appropriate arrangements.

Yours sincerely

  
K Hunt  
for Ned Smith

S E C R E T

would obviously be the operative factors. In some areas there might be a danger of breaching the terms of the EC directive on air quality standards for levels of smoke and SO<sub>2</sub> in the atmosphere. This would not be too serious. We should have to report breaches to the EC Commission, with an explanation. Formally we do not have to comply with the directive until 1993.

Practical difficulties may arise if closed appliances designed for solid smokeless fuel are used with other types of fuel. In some such appliances there could be a danger of explosion from trapped, volatile gasses; in all, there would be a danger of over-heating with subsequent fire risk and risk of damage to the appliance. There would be no such problems with open fires. We have no information immediately available on the proportions of closed and open appliances in use.

We have no detailed knowledge of the effectiveness of previous suspension orders, although it seems doubtful whether wood or other alternative fuel could make much impact in counteracting a shortage of coal-based fuel on a national basis.

I am copying this letter to the Prime Minister, Leon Brittan and Sir Robert Armstrong.

*Yours sincerely*

*A.H. Darin*

*fr*

PATRICK JENKIN  
(approved by the Secretary of State  
and signed in his absence)

S E C R E T

The Rt Hon Peter Walker MP

ROBIN / PRIME MINISTER

The state of the NUM/NCB talks

It is not absolutely clear whether there will be talks.  
The NUM replied in the following terms:

"We hope you will attend so that the matter on which talks foundered will be resolved. We hope too that you will drop your demand for closure of so-called uneconomic pits which sparked off this dispute and which is in violation of Plan for Coal."

It is not clear whether this is simply a statement of the line which the NUM would take at the meeting or whether it is a condition which they want the NCB to accept before there will be a meeting. Judging from the brief interview with Mr. Scargill it appears that the NUM would be prepared to go to the meeting without requiring the NCB to accept this condition. We will not know until tomorrow whether the NCB will take the view that it is better to get straight down to talks or whether they will only meet if some change of attitude is indicated by the NUM.

I will report as soon as I have been able to clarify this in the morning.

Andrew Turnbull

5 September 1984



NAT IWD PT 12  
COAL

Coal File

8 CHESTER STREET LONDON SW1

TEL: 584 9273 TELEX: 28666

4 Sept

Dear Tim,  
Please pass  
to PM for  
background  
information.  
Alan  
Dain HANS

# ELLIS-FERMOR

SOLICITORS

MARKET PLACE, RIPLEY,  
DERBYSHIRE DE5 3BS.  
Tel: Ripley 43375 MDX 16873

D. P. NEGUS LL.B.  
D. R. WELLS LL.B.  
M. S. COBBETT LL.B.

also at  
97 High Road, Beeston, Nottingham.  
Tel: (Nottingham) 222334  
and as DAVID NEGUS & CO  
at 35 Derby Road, Long Eaton, Nottingham.  
Tel: (Long Eaton) 65222/3

Our ref: DPN/AJW

Your ref:

30th August 1984.

Dear David,

Herewith List as promised:-

1. The original action was I think ours brought by a <sup>representative</sup> 640 Nottinghamshire Miners. We obtained an Interim Injunction preventing the Union disciplining our men in crossing Picket Lines and preventing them from ordering Branch Officials to instruct men not to cross Picket Lines. As the Strike is not settled and because the Interim Judgement left open the question of whether the Pickets are entitled to describe this as 'official', we intend to take this action back for a full trial as soon as possible but that is <sup>not</sup> likely to be this year.
2. A similar Interim Judgement was obtained by men in Lancashire in the Queen's Bench Division of the High Court in Manchester; C.B. Hudson and Taylor of Rochdale act in this action.
3. Another similar action also in Manchester by the North Wales men obtained the same interim relief. I gather they are thinking of further legal action but I am not sure what. Clement Jones & Co. Hollywell are the Solicitors.
4. Messrs. Shacklocks of Mansfield act for 3 North Derbyshire men. Their action is a little narrower. They have an Interim Judgement preventing the Union suspending them from membership for crossing Picket Lines and and they are having a full trial before the Vice Chancellor starting on the 20th September. I think they are bound to win but I am not sure that the issues involved are particularly important in the overall context.
5. Our second Action began when Pickets occupied the Notts. Area Office and prevented a Notts. Area Council meeting mandating its delegates to the National Conference to vote on Rule 51. An Order that the National Union must not take a vote on the issue was disobeyed which led to the Vice Chancellor declaring the proceedings of the Conference null and void. Despite the rhetoric the N.U.M. ~~accepted~~ <sup>appear to have</sup> accepted this decision because at a subsequent Conference (boycotted by the Notts. delegation) they passed Rule 51 a second time and which they were not prevented from doing by the earlier Order. I gather the Notts. Area Council in its official capacity is taking legal advice about the validity of this second Conference.
6. There are two miners from the Yorkshire area taking action which will be heard on the 24th September by the Vice Chancellor at the end of the Derbyshire case. Their action is similar to our original one but includes the following variations:-

(i) They are seeking additional Injunctions because the Yorkshire Area Rules clearly state there can be no legal strike in Yorkshire without a local ballot.

# ELLIS-FERMOR

SOLICITORS

MARKET PLACE, RIPLEY,  
DERBYSHIRE DE5 3BS.  
Tel: Ripley 43375 MDX 16873

D. P. NEGUS LL.B.  
D. R. WELLS LL.B.  
M. S. COBBETT LL.B.

also at  
97 High Road, Beeston, Nottingham.  
Tel: (Nottingham) 222334  
and as DAVID NEGUS & CO  
at 35 Derby Road, Long Eaton, Nottingham.  
Tel: (Long Eaton) 65222/3

Our ref: DPN/AJW

Your ref:

Continued...

(ii) They are trying to get an Order for a National Ballot. The Solicitors are Messrs. Hodgkinson & Tallents of Newark (Mr. David Payne). Again this is only an interim hearing but they are putting a tremendous amount of work into it and are using the same Barristers <sup>as</sup> ~~on~~ <sup>we</sup> the original Briefed. I should think its publicity value will be considerable.

7. The Midlands Area have had an action recently heard. I am not sure of all the details but three officials were suspended on spurious grounds and I gather the Union has been ordered to reinstate them to office. The solicitors are Lawford & Co. of London (Mr. Tony Howes). Again, this is only an interim judgment.

In addition I understand that miners in Durham and South Wales are taking legal advice but I have few details at the moment. I have been consulted by members of the Power Group and expect to meet them next week for a discussion. There is even talk of an action in Scotland but of course they have an entirely foreign legal system!

Hope this helps. I shall be away this week starting Friday. My Secretary has a list of all the Solicitors' names and addresses if you need further details.

Yours sincerely,

David

D. Hart, Esq.,  
8, Chester Street,  
LONDON. SW1.

P.S. Typed in haste!!

subject a master

8A

SECRET

ONE COPY ONLY

Record of meeting held at 10 Downing Street on 4 September, 1984, at 1700 hours

Present:

Prime Minister

Secretary of State for Energy

Mr. MacGregor

Mr. Gregson

Mr. Butler

Mr. MacGregor gave an account of the events behind the NUM's claim that the NCB had cancelled talks to resolve the coal dispute. Mr. Maxwell had approached him over the weekend to ask him whether he was prepared to meet the NUM. Mr. MacGregor said that the NCB was always ready to meet the NUM if there was anything useful to discuss, and that the normal procedure would be for Mr. Heathfield to contact Mr. Smith. In fact it was Mr. Maxwell who next approached Mr. Smith. This led to discussions between Mr. Smith and Mr. Heathfield at which they provisionally agreed on talks on Wednesday subject to the approval of other members of their delegations. When Mr. Smith spoke to Mr. MacGregor it was agreed that Wednesday was too early, partly because the TUC Conference would still be going on, and partly because more time was needed to prepare. Mr. Smith went back to Mr. Heathfield to seek an alternative time and to discuss the agenda. These discussions were inconclusive as the NUM appeared unwilling to depart from their previous position or to make new suggestions. It was mutually agreed that there would be little point in talks unless the issue of pit closures could be discussed, but it was left that Mr. Heathfield would speak to other members of his Executive and then make contact again. No contact was made, and the

SECRET

first the NCB heard was Mr. Scargill's statement in the morning that the NCB had cancelled the talks. The NCB responded by putting out a statement at lunchtime denying that it had cancelled the talks. On his return from Essen, Mr. MacGregor said he was prepared to meet the NUM on Sunday.

There followed a discussion on the terms on which the NUM should be invited to talks. Mr. MacGregor said it was important to avoid a formulation which suggested the talks were about ways of solving the problem of uneconomic pits. This could give the message that the NCB was prepared to make further concessions from its position at the conclusion of the previous talks. Such a message would have the effect of slowing down the drift back to work. Indeed, Mr. MacGregor thought that the possibility of talks may already have affected attendances.

It was agreed that the NCB could make no further concessions on the principle of closing uneconomic pits. Nevertheless, the Secretary of State for Energy said public opinion would react adversely if the invitation suggested that the NCB were not prepared to move, but would be prepared to attend talks if the NUM were prepared to move. The aim should be to draw the NUM into talks which, if they broke down, would reveal that the NUM were still intransigent in their demands which even many unions recognised as unreasonable

It was agreed that the NCB should issue a letter as soon as possible inviting the NUM to talks on Sunday at a particular location (or any other time and place agreeable to them). The aim would be to hold constructive discussions about the points on which previous discussions had foundered, and to find a resolution in accordance with the report on Plan for Coal (which had recognised the need to close uneconomic capacity). In order to make clear that

SECRET

- 3 -

the NCB was not interested solely in pit closures, the letter should state that talks would also cover ways in which a prosperous coal industry could be developed.

The Prime Minister said recent events had shown the limitation of mediation by people like Mr. Maxwell who sought not to clear obstacles but to represent to the different parties that there were no obstacles. In future it might be better if such discussions were conducted on paper.

The meeting closed at 1810 p.m.

AT

5 September, 1984.

SECRET

JBDABG

Coal file8  
cc press  
deDaily Coal Report - Wednesday 5 September 1984Pit categories

	<u>Number</u>	<u>plus on holiday</u>
(i) Working normally	42	3
(ii) Turning some coal	7	2
(iii) Some men present	15	-
(iv) On strike/picketed out	104	1

The Tilmanstone pit in Kent, where a small number of men have now reported for three days running, has been moved from category (iv) to (iii).

Despite the uncertainty about talks, the drift back to work by striking miners has continued.

In Scotland, 221 men reported for work, 12 up on yesterday. Bilston Glen reached a new record attendance of 153 (up 7 on yesterday, and by more than 100 on the position a month ago).

Attendances at the Western area pits of Lancashire, Staffordshire and North Wales rose by 70 to 4750.

In North Derbyshire there were post-holiday record attendances at Bolsover (235, up 20 on yesterday), Shirebrook (158, as yesterday) and Warsop (158, up 4).

Numbers in Yorkshire were down by 2 to 31. The single man working at Thorne pit was seen by the NUM last night and reportedly will not work again. At Brodsworth pit the single man there failed to report for duty.



In Kent, in the face of angry picketing (see below) 23 men reported at Tilmanstone and 4 at Betteshanger (as yesterday).

One continuing uncertainty is the attitude of the pit deputies union (NACODS) in the striking areas. One factor is their reaction to the TUC motion, and whether their members will continue to cross NUM picket lines; another factor is their reported desire that their members should be able to go to work "with dignity". NACODS members this morning refused to cross picket lines at Castlehill in Scotland, where a pit emergency has again been declared because of the risk of flooding, and in Kent.

#### Coal Movements

Yesterday was a good day. 141,000 tonnes were moved (compared with 98,000 tonnes, and 122,000 tonnes on the previous two Tuesdays).

39 coal trains ran, giving British Rail their best day since July.

800 tonnes of coal went by road to BSC Scunthorpe.

Movements of coke into Scunthorpe from BSCs coking plant at Orgreave are resuming today, probably for a four day period until stocks are again exhausted.

#### Law and Order

There were 300 pickets (including Mrs Scargill) at Kiveton Park pit in South Yorkshire, with some skirmishing reported; 500 pickets at Hawthorne (North East), with no men working; 400

pickets at Kellingley (North Yorkshire) where 2 men are working; 500 at Markham (North Yorkshire) where 3 men are in.

There was trouble at Tilmanstone, with 300 pickets burning straw etc. An NCB engineer was seriously assaulted by pickets who set upon him in an office, and the policeman who went to his aid was also assaulted. Both were taken to hospital.

#### Talks Between the NCB and NUM

The Board has formally confirmed its renewed offer to meet the NUM. A copy of the Board's letter is attached. (Text not yet released to press though they are clearly aware of its basic message). At the time of writing the NUM has still to respond, though Scargill told the press earlier this morning that the Board had only to notify the union if it wished to resume talks.

Mr MacGregor has again dismissed as "absolute nonsense" Scargill's claim that the Board cancelled the talks due to have taken place tomorrow or Friday.

#### Industrial Relations

The Easington pit miner, Paul Wilkinson, who was awarded the injunction against the NUM earlier this week, has been called before his local NUM lodge committee to explain why he is crossing picket lines. He is contacting his solicitor.

Docks Dispute

Transport union officials are meeting today to consider ways of escalating the dispute. Meanwhile dockers at Fleetwood voted this afternoon to rejoin the dispute, thus overturning a decision taken two days ago.

D/Transport reported that the Port of London Authority hope to get the first returns from their ballot tomorrow.

Line to Take

The Coal Board have re-confirmed their desire to meet the NUM for further talks to resolve this dispute. It is now up to the NUM to demonstrate to their members and the country at large that they are willing to negotiate sensibly and constructively.

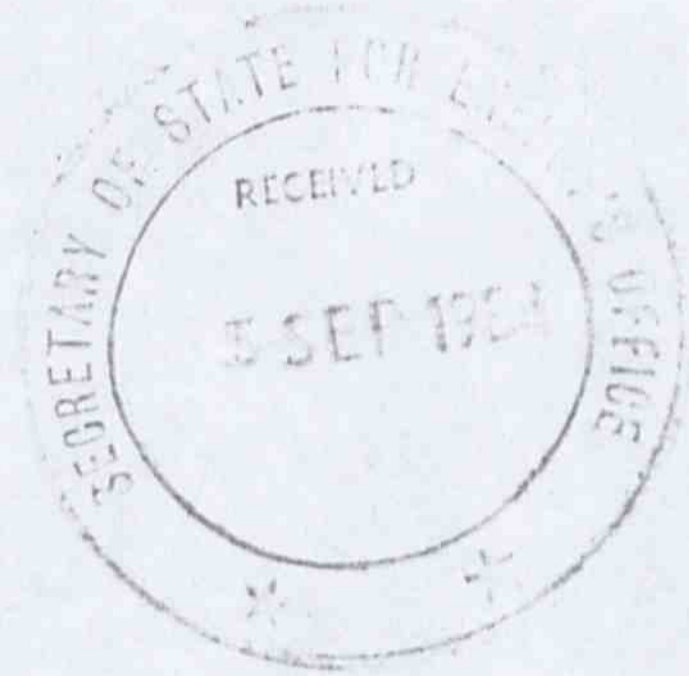
Distribution: Members of MISC 101; Mr Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy 211 6070

TELEPHONE  
01-235 2020

TELEX 882161 HOB

NATIONAL COAL BOARD  
HOBART HOUSE  
GROSVENOR PLACE  
LONDON SW1X 7AE



5 September 1984

P E Heathfield Esq  
Secretary  
National Union of Mineworkers  
St James' House  
Vicar Lane  
SHEFFIELD  
S1 2EX

Dear Mr Heathfield

Following the Chairman's most recent offer, I confirm that we will be at a mutually agreed location at 7.00 p.m. on Sunday 9 September. If the time or date are inconvenient to the NUM, we will agree with you a mutually convenient arrangement.

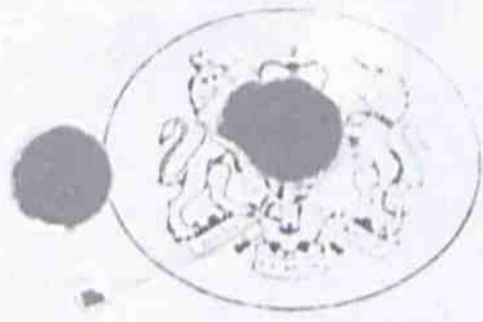
I hope that you will attend so that the problem upon which our talks broke down in July can be solved, and that the closure of uneconomic pits can be dealt with in accordance with the principles of the various Reports on the Plan for Coal. I hope also that you will constructively discuss the manner in which the huge investment that we are willing to make in the industry can be applied and operated so as to create a successful, solvent and prosperous industry to the benefit of the miners, their families and the nation. I expect to see you on Sunday or at as early a date thereafter as is mutually convenient.

In the absence of Mr Smith, I hope you will be in touch with me as soon as possible to make appropriate arrangements.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'K Hunt', with a long horizontal stroke extending to the right.

K Hunt  
for Ned Smith



File  
MS

Polkemmet Colliery

On Monday 20 August, 6 men returned to work at Polkemmet. As at other Scottish pits where men have gone in, the NUM immediately withdrew safety cover. To comply with statutory requirements, the power was then switched off underground, leaving no pumps working. The Board said then that there was concern for the pit.

2 While safety cover was withdrawn, NACODS refused to cross picket lines, so the only men at the pit were management and the 6 or 7 returned workers.

3 Safety cover was restored on the night of Monday 27 August; but by that time it was impossible to travel the shaft because of water. By Tuesday, there were some 13 million gallons of water in the pit, flooding the shaft to a depth of 80 feet. Flooding continued at a rate of 1.7 million gallons a day.

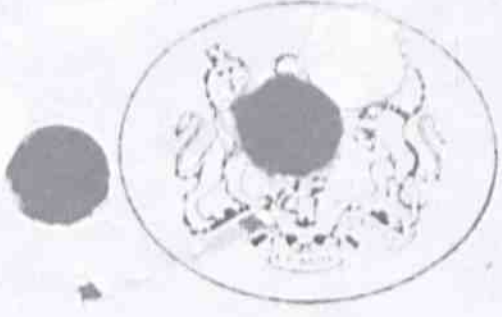
4 Emergency equipment was brought in and underground examinations began. Those investigations continue.

5 The pit normally employs around 1400 men. Its annual production of around 400,000 tonnes goes almost exclusively to Ravenscraig steel works. The NCB Area Director has let it be known that all men at the pit could be offered employment elsewhere, should it be lost.

6 The Board has indicated that the damage is such that full production could not be restored within a year, even if recovery proved possible.

7 The Board has given no commitment yet as to the future of the pit. It is concerned to give a clear demonstration that

/everything



everything reasonably possible is being done with a view to saving it. The pit has, however, been a regular heavy loser, in financial terms, and it would be wrong to create the expectation that everything physically possible will be done to save it, regardless of cost.

Coal Division  
Department of Energy  
4 September 1984

Peter Walker interview with Robin Day, World at One, 4.9.84

Q. What is your reaction to the calling off of these talks

A. Well you know over this six months of the dispute I have had to listen and read millions of words of total fiction from Mr Scargill but none of those words of fiction have surpassed what he has come out with this morning. I might say I was in a meeting in my office at 11am or just after 11 when on the tapes came this incredible announcement. I was immediately phoned by No 10 who said did I know anything about the basis of this announcements, did I know what was going on. And so it came as a total surprise to the Coal Board and to the Government when Mr Scargill announced that the talk had been called off. Now to say that the Coal Board had called them off is a total lie and the statement from the Coal Board makes it clear that it is a total lie, and the Coal Board have been totally willing, and always willing to enter negotiations. As far as the reasons for this, I mean, as you quite rightly point out yourself, the idea that there is some phone call from Mr MacGregor to Mr Heathfield cancelling it before the television programme last night is totally untrue, and there has been no such telephone call from Mr MacGregor or any other coal board official cancelling the meeting. What has happened is that Mr Heathfield, left to consult, ~~has~~ decided, that presumably, for the purposes of Mr Scargill, doesn't want to get into any negotiations upon the fundamental point of issue in this dispute when he <sup>has</sup> used this incredible device of ~~creating~~ creating a great work of fiction as to the Coal Board calling it off.

Q. Hold on S of S. How can we get the talks going again because quite clearly that it was what a great many people at Brighton and in the country want.

A. Well of course. And the fact that the talks were going to take place were welcomed by Mr MacGregor, were welcomed by the Govt, were welcomed by the TUC and now Mr Scargill has invented a position of saying someone has called ~~them~~ it off.

Q. Have you or Mrs Thatcher had any part to play as alleged by Mr Scargill in the calling off of these talks.

A. Oh, the PM and myself have expressed our pleasure that the talks were going to take place, we were both very surprised when on the tapes this morning at 11.15 there appeared this announcement from Mr Heathfield.

Q. And you have no.. you were not involved in any way in the calling off...

A. The last I heard from Mr MacGregor, he was fixing the date and the time for the talks, and certainly there is no..there is every desire by the Government that the talks take place.

Q. And you heard earlier in the programme, from someone, Maxwell Basnett, <sup>of Holt</sup> saying the the Govt should not know stand aloof, but should do what it can to get the parties together.

A. ~~MrxBasnett~~ If I may so both Basnett and Maxwell had had a version that, er, but had not heard ~~that~~ the denial that the Coal Board had called off the talks. So there's no need for the Government to intervene, those talks could be fixed up later this week or early next week, its up to Mr Scragill to see whether or not he will attend them.

Q. Will you try do do anything to get them refixed up later this week

A. There is no need for me to do anything....No need(R Day).... no because the Coal Board have not called the talks off. The only need is for mr Scargill to go to the talks that he told the TUC <sup>that</sup> ~~that~~ he was going to but he has decided not to go to them. And therefore if he is expressing horror at the Coal Board calling them off, obviously the version of Peter Heathfield must have been some dream he had.

Q. Finally Mr W can you tell us whether the PM intends to ask the Speaker to recall Parliament to deal with this matter as Mr Kinnock wants

A. The Prime Minister will off course <sup>make a</sup> reply to Mr Kinnock in the normal way and I am sure that that will be published

Thankyou.



S E C R E T



01-405 7641 Extn

ROYAL COURTS OF JUSTICE  
LONDON, WC2A 2LL

CC/10  
SP 6

Ian Gow Esq. MP.  
Minister for Housing and Construction  
Department of the Environment  
2 Marsham Street  
London SW1P 3EB

4 September 1984

Dear Ian,

OPENCAST COAL SITE AT SPRINGHILL, STAFFORDSHIRE

I refer to your letter of 29 August in which you ask for advice on one of the conditions in the directions given under Section 2 of the Opencast Coal Act 1958 ("the 1958 Act") on the grant of an authorisation given under Section 1 of that Act.

Five questions were asked in the Case enclosed with your letter; I will take each question in turn.

Question (a) asked whether the Secretary of State has power to vary the terms of the conditions in a planning permission deemed to be granted by virtue of a direction given under Section 2 of the 1958 Act by giving a direction under Section 49(4) of that Act. In my opinion, it is doubtful whether the Secretary of State has power do to so.

Section 2(1) of the 1958 Act provides that upon granting an authorisation the Secretary of State may give directions that planning permission be deemed to be granted. The effect of the opening words, "Upon granting an authorisation", is that the only circumstances in which the Secretary of State has power to give directions is upon granting an authorisation.

S E C R E T



- page two -

Section 49(4) provides that any power conferred by the Act to make an order or give any directions shall include power, subject to the like provisions and conditions, to vary or revoke the order or directions by subsequent order or subsequent directions, as the case may be. Thus, by virtue of this sub-section, any power to make an order or give directions includes the power to vary or revoke the order. However, since the power contained in Section 2(1) can be exercised only upon granting an authorisation, the power, as extended by Section 49(4), can be exercised only in those circumstances.

I have considered carefully the arguments put forward by the Department of Energy. However, I do not agree that Section 2 directions would have been expressly excluded from the scope of Section 49(4) had Parliament intended that a deemed planning permission could be revoked or modified only by an order made under Section 21 of the Town and Country Planning Act 1947. The draftsmen may well have considered that no express exclusion was necessary because the power contained in Section 2(1) can be exercised only on granting an authorisation under Section 1. Sub-sections (5) and (6) do not, in my view, support their argument. Sub-section (5) is included to restrict the scope of sub-section (4) in relation to compulsory rights orders; sub-section (4), as thus restricted, will continue to apply to compulsory rights orders. Sub-section (6) was needed because Section 15(4) requires the Secretary of State to revoke an order made under Section 15 in the circumstances specified in sub-section (4) and he does not have to comply with the provisions and conditions that applied when he made the order.

I have noted the extract from the Notes of Clauses. However, if it was intended that Section 49(4) should enable directions under Section 2 to be varied or revoked, it is doubtful whether



the Act gave effect to the intention.

It is suggested that there may be some significance in the use of "directions" rather than "direction" in Section 2(1) of the 1958 Act. The plural form is used because, as stated in the Oxford Dictionary, when direction has the meaning of what to do or or an order it is usually in the plural.

I find support for my doubts that Section 49(4) can be used in the circumstances suggested in the fact that there is no procedure in the 1958 Act for varying or revoking directions under Section 2(1). The directions are given on the granting of an authorisation and the First Schedule provides a detailed procedure including advertising the application, what is to happen if objections are made and for the holding of a public inquiry. There is no procedure supplied by the Act for variation or revocation of directions by the giving of new directions and I do not think that it would have been the intention of Parliament to enable directions under Section 2 to be varied or revoked without going through some sort of procedure in view of the words "subject to the like provisions and conditions" in Section 49(4). There are no like provisions and conditions that can be applied to directions under Section 2, whereas there are for orders made under Sections 4 and 16 and directions given under Section 39.

In addition, directions deeming planning permission to be granted are given under Section 40 of the 1971 Act where an authorisation of a Government Department is given in respect of the development in question. The reason for this is that the same questions will have been considered in connection with granting the authorisation and, therefore, it is unnecessary for there is to be a separate consideration in connection with the planning aspects of the proposed development. It would be an anomaly if directions could be given under Section 49(4) where there had been no related



authorisation in respect of which there had been a proper consideration of the relevant questions.

In view of my answer to question (a), questions (b) and (c) do not arise.

In answer to question (d), in my view it is open to the Secretary of State to determine, pursuant to the provisions of the conditions quoted in paragraph 6 of the Case, that coal may be transported otherwise than by rail without treating the reference of the issue to him as a formal appeal under Section 36 of the 1971 Act. Whilst it is open to the National Coal Board to appeal to the Secretary of State pursuant to Section 36(1) of the 1971 Act, as amended by paragraph 4(2) of Schedule 15 to the Local Government, Planning and Land Act 1980, there is nothing in those provisions that prevent the Board, or the Planning Authority, referring the dispute to the Secretary of State pursuant to the condition contained in the deemed planning permission.

In reply to question (e), I agree that the rules of natural justice apply. De Smith, *Judicial Review of Administrative Action* (4th Edition) page 201 states that "[in] the absence of clear statutory guidance on the matter, one who is entitled to the protection of the audi alteram partem rule is now prima facie entitled to put his case orally; but in a number of contexts the courts have held natural justice to be satisfied by an opportunity to make written representations to the deciding body, and there are still many contexts where a person will be able to present his case adequately in this way".

In deciding whether the parties are able to present their cases adequately by written representations it is relevant that Parliament has provided in Section 36(4) of the 1971 Act that before determining an appeal under the Section the Secretary of

S E C R E T



- page five -

State shall, if either the applicant or the local planning authority so desire, afford to each of them an opportunity of appearing before, and being heard by, a person appointed by the Secretary of State. Thus since Parliament has enacted that either party should have the opportunity of an oral hearing, the court would probably hold that there was an equivalent right where the reference is made pursuant to a provision in a planning permission.

If there was widespread public objection on planning grounds to the proposal to send coal by road, it would be open to the Secretary of State to hold a local public inquiry even if one was not asked for by the National Coal Board or the local planning authority. However, by analogy with Section 36 which makes no mention of third parties, the rules of natural justice would not seem to require the Secretary of State to hold a local public inquiry in such circumstances.

I am copying this letter to the Prime Minister and to Peter Walker.

Yours Grv. Michael

S E C R E T

NAT IND A II

COAL

Daily Coal Report - Tuesday 4 September 1984

File 5

Pit categories

	<u>Number</u>	<u>plus on holiday</u>
Working normally	42	3
Turning some coal	7	2
Some men present	14	-
Not working	105	1

There are only minor variations on yesterday's picture:

A record 200 miners reported for work this morning in Scotland, 14 up on yesterday. At Bilston Glen attendance is up by 1 to a record 146.

Also in Scotland, the NUM have restored safety cover to the Castlehill pit after the management had declared an emergency.

In the North East, Paul Wilkinson, who yesterday won a Court Injunction against the Durham area NUM, reported for duty at the Easington pit accompanied by his father.

Attendances have improved in North Derbyshire. Shirebrook has a record 158 men in (12 up on yesterday) and Warsop a record 154 (up 4); although at Bolsover numbers are down to 215 from yesterday's record 222.

33 men have reported for duty in Yorkshire - the same number as yesterday.

Numbers in Kent are also the same as yesterday: 23 at Tilmanstone (not 26 as stated in yesterday's report) and 4 at Betteshanger.

Coal Movements

122,000 tonnes were moved yesterday. 28 coal trains ran.

Coal trains were reported to be running again this morning. It remains to be seen what effect yesterday's TUC vote to blockade the movement of coal and coke will have.

Law and Order

There has been some skirmishing, but at the time of writing picketing is generally light. Main exceptions are Allerton Bywater in North Yorkshire (1,500 pickets, 5 men in) and Kent where there are assessed to be some 300 pickets moving between Tilmanstone and Betteshanger pits. 15 men were arrested in Chesterfield last night on suspicion of causing criminal damage.

Talks between the NCB and NUM

NUM General Secretary Peter Heathfield claimed this morning that the Board had cancelled the fresh talks planned for later this week. Scargill claimed that the 'cancellation' was due "to the direct intervention of Mrs Thatcher, or a deliberate piece of deception on the part of Mr MacGregor".

The allegations are totally untrue. The Board's deputy Chairman has issued the following statement:

"The NCB state unequivocally that they have not cancelled talks with the NUM.

They remain ready at any time to have meaningful talks to resolve this damaging dispute.

On Monday in further discussions between Mr Heathfield of the NUM and Mr Smith of the NCB it was mutually agreed that, as the NUM were not prepared to discuss closures on other than exhaustion or safety grounds, in those circumstances a further meeting would be neither meaningful nor purposeful.



Mr Heathfield said then that after further discussions with his colleagues, he would contact Mr Smith again if the NUM had any helpful suggestions to offer.

No contact has been made with Mr Smith or any other Board representative by Mr Heathfield or any of his colleagues.

The NCB repeat their willingness to have talks at any time to secure the future of this industry."

#### TUC Congress

It is too early to judge the effect of yesterday's endorsement of the General Councils NUM motion, but the early signs are encouraging. John Lyons of the Engineers and Managers Association has said there is not the slightest prospect of TUC policy being put into effect. Eric Hammond of the Electricians Union described the General Council's statement as dishonest and deficient and said his union would not stop the power stations.

D/Employment have commented that among many TUC moderates there appeared yesterday to be evidence of wishful thinking that words from the Congress would be sufficient to trigger talks which would bring about a solution to the dispute; and also a belief that Scargill's position may have softened. Today's development on the talks front will have torpedoed these ideas.

#### Line to Take

Today's claim by the NUM that the Coal Board cancelled the proposed new talks is completely untrue. The Board have stated unequivocally that they remain totally willing to have meaningful negotiations to end this damaging dispute.

Ordinary decent miners should not be fooled by the NUM's dishonesty - neither should the country at large. The Coal Board's offer for talks is on the table, and Mr Scargill should take it up without further delay if he really has the interests

of his members at heart.

Distribution: Members of MISC 101; Mr. Gregson (Cabinet Office)

Enquiries: Michael Reidy, PS/SOS for Energy, 211-6070

STOP PRESS

TUC - BRIGHTON

Mr Kinnock this afternoon re-affirmed Labour's support for the NUM. He said the strike was no longer just a case of protecting jobs - it was a defence of the national interest. In the light of this speech Mr Walker has issued a press statement - a copy is attached.

Speaking in London this afternoon the Rt Hon Peter Walker, Secretary of State for Energy said:

"It is extraordinary that in his speech this afternoon to the TUC, the leader of the Labour Party should have failed to demand that the miners had a ballot in the normal ~~conditions~~ <sup>traditions</sup> of the National Union of Mineworkers.

The country should be reminded that Mr Kinnock failed to criticise Mr Scargill for not having the ballot when the dispute commenced. But when Mr Scargill changed the rules of balloting so as to reduce the numbers that would be required to vote for a strike, immediately on April 17 Mr Kinnock expressed his view that a ballot should take place.

Why does he no longer argue that miners should have the right to decide by ballot?

Is it because the one third of miners, 70,000 of them, that decided to have a ballot, voted by such decisive majorities not to strike?

It is also staggering that Mr Kinnock should express the view that he supports the National Union of Mineworkers on the question of uneconomic pits. Is he really saying that any pit, no matter how uneconomic, should continue at vast cost to the taxpayer? Imposing much higher costs of coal upon the consumer, and in fact ruining the coal industry by seeing that it was unable to obtain new markets?

How does he defend the fact that every post-war Labour Government has closed uneconomic pits? How does he defend the fact that the Labour Government, in its agreement on "Plan for Coal" stated categorically that there was a need to close uneconomic pits? How does he defend the fact that the Labour Government introduced legislation that incorporated within it the need to close uneconomic pits?

On the question of the ballot and on the question of uneconomic pits it would appear that Mr Kinnock has become a lackey of Mr Scargill."

570  
SECRET

Poli

4

P.01373

PRIME MINISTER

Next round of NCB/NUM negotiations

These notes for your talk this afternoon are arranged under the following three headings:

- starting point for the negotiations;
- development of the negotiations;
- handling of a breakdown.

STARTING POINT

2. The main options for the starting point for the negotiations are:

- waiting for NUM counter proposal  
what is this likely to be? Will it be the July text with deletion of the words "and which can be beneficially developed"?
- table again the NCB's July text
- try a new approach  
this might be, eg:
  - give up the attempt at an agreed definition of exhaustion;
  - seek agreement on the need to get rid of X million tonnes of capacity over a stated period within the context of a revised Plan for Coal;
  - closures to go ahead in accordance with existing procedures.

SECRET



SECRET

Assessment of the options

3. The main advantage of waiting for the NUM counter proposal is that it may put the onus on the NUM to negotiate constructively. The disadvantage is that if the NUM simply proposes the July text less the words "beneficially developed", it may be able to appear constructive, while simply ignoring the problem of loss-making pits. The NCB would then be faced with trying to negotiate extra words back into the text.

4. The main advantage of tabling the NCB's July text is that it corresponds with the NCB's stated public position. It also puts the NUM in the position of having to justify exclusion of the words "beneficially developed" or to substitute others which adequately acknowledge the need to close loss-making pits. The disadvantage is that using the July text as the starting point for negotiations may imply that the NCB is prepared to make further concessions of substance.

5. The main advantage of a new approach is that it could rescue both sides from an argument about words and formulae which is becoming sterile and unproductive. But there are major disadvantages:

- It gets the NCB out of prepared positions into open country; badly handled it could lead to a rout.
- If there is not to be a sell out to the NUM on closures, the agreement has to have something concrete in it; unless that concrete element is concerned with definitions and procedures, it has to be concerned with quantity and timetable; that approach would probably be even harder for the NUM to swallow.
- A change of approach by the NCB would be much harder to explain publicly and could easily be presented by the NUM as a wrecking move.

SECRET



SECRET

6. This analysis suggests that it may well be best for the NCB to table again the July text, making it clear that any agreement has to deal with the problem of loss-making pits, but indicating a willingness to consider alternative forms of words which deal adequately with the problem.

#### DEVELOPMENT OF THE NEGOTIATIONS

7. The development of the negotiations might be considered under the following headings:

- the "beneficially developed" formula;
- other elements in the July text;
- issues other than closures, ie:
  - the pay offer;
  - additional demands by Scargill.

#### The "beneficially developed" formula

8. Does the NCB have available alternative forms of words which the NUM might be willing to swallow and which would provide an adequate basis for getting rid of loss-making capacity?

#### Other elements in the July text

9. There were two other main elements in the July text:

- an indication (Section 1) that closures might be re-phased to take account of the loss of output resulting from the dispute;
- a procedure (in Section 2) for the five "named pits".

10. Would it help (and be acceptable) to give more ground on either or both of these two points?

SECRET



SECRET

Issues other than closures

11. Is it right to assume that, if the closures issues is settled, that will be the end of the dispute, ie that the pay offer for November 1983 will be accepted and that other demands made by Scargill in speeches at various times will be dropped? Is it also right to assume that concessions on any of these other issues would not make it easier to secure an acceptable arrangement on closures and that it would be tactically unwise to bring them into the discussion?

HANDLING OF A BREAKDOWN

12. Even more than on earlier occasions it will be vital to pin the blame for a breakdown on NUM intransigence. Public perception of this could have a crucial effect on endurance through the impact of the willingness of the GMBATU and the AUEW and their rank and file members to give effect to the TUC resolution. How does the NCB propose to ensure that the right message gets across to the media immediately and effectively?

*PLG*

P L GREGSON

4 September 1984

SECRET

UNCHECKED

Cool file

ARTHUR SCARGILL - INTERVIEW ON 'CANCELLED' NCB/NUM TALKS

Transcript from: BBC Radio 4, World at One, 4 August 1984

PRESENTER: ... but first in this programme let's see how the cancellation of the talks, whoever was to blame for it, became public and what were the reactions to it. The NUM president, Arthur Scargill, announced the cancellation in an interview with Vincent Hannah of BBC TV, and these are the reasons Mr Scargill gave:

SCARGILL: The only explanation for the cancellation of the talks is once again the direct intervention of Mrs Thatcher, or a deliberate piece of deception on the part of Mr Macgregor. We believe that not only mining families, but the TUC and the British people as a whole, will be appalled at the Coal Board's behaviour. The National Union of Mineworkers remain available to negotiate a settlement of this dispute in line with Plan for Coal as we have consistently outlined during our meetings with the Board.

INTERVIEWER : When the talks were set up what was the basis that you understood the negotiations to be taking place on, on what basis were they going to take place?

SCARGILL: The talks were set up as a result of an intervention by a third party, Mr Maxwell, and a telephone call was made to the general secretary of the NUM in front of 6 witnesses and Mr Heathfield acknowledged that the Coal Board wanted to set up a meeting, and that was confirmed. The Coal Board issued the invitation. The invitation was for a meeting on Wednesday. The same evening a telephone call was received cancelling the meeting on Wednesday because it was said that Mr Macgregor could not attend. The following morning another telephone call was received saying that the meeting may be on later in the week. And then the next thing that we heard was a public announcement by Mr Macgregor that talks had been arranged. And then, astonishingly, we heard his performance last night. And later, about half past twelve, Mr Heathfield telephoned me to ~~inform~~ inform me that the Coal Board had informed him before the television programme that in fact they had cancelled the negotiations. I think the TUC, who debated this issue yesterday and were of the opinion as a result of Mr Macgregor's television performance that negotiations were to take place, will see this as a direct act of duplicity on the part of the chairman of the National Coal Board.



INTERVIEWER : Some members of the General Council were saying yesterday, members of the General Council with whom you've been in touch, that there was good prospects for negotiations this time providing there were pre-conditions on both sides: that there were ways you could examine the negotiations so as to produce the prospect of a settlement. Now was that your understanding of the basis on which you were going into the talks, there were genuine hopes for moving the negotiations forward?

SCARGILL: We were convinced that the National Coal Board were coming forward with some change of policy and change of heart. And that was an intimation that we got certainly from the people who were mediating, and there's been a number of people mediating including Mr Maxwell and Mr Stan Orm - to whom I spoke yesterday afternoon and yesterday evening. But I want to make it clear that we informed the General Council at all stages of the negotiations what was taking place. And I can tell you that this morning the General Council representatives have also been informed and have expressed their disgust at what has taken place. In fact, the people who participated in the Newsnight programme last night were appalled at Mr Macgregor's ~~perfrx~~ performance which, they said, in their eyes clearly demonstrated that he was trying to sabotage the talks before they began. What we did not know at that time was that the Coal Board had already decided to cancel the talks and had informed Mr Heathfield accordingly.

INTERVIEWER : For the record and finally: you stand ready to speak to the Coal Board to negotiate without preconditions at any time?

SCARGILL: We remain available. As far as we are ~~cxxx~~ concerned the prospects for a solution are there. Already we had resolved two of the main problems. And I'm convinced that a settlement could have been achieved on the ~~max~~ basis of Plan for Coal. That's certainly Stanley Orm's view and the Labour Party's view and the TUC.

NK BUTLER

TRANSCRIPT OF BBC NEWS INTERVIEW WITH MR MACGREGOR: 4 SEPTEMBER 1984

INTERVIEWER: The Coal Board Chairman said he was after all still willing to meet the miners' union sometime this weekend. So why did Mr Scargill blame him for cancelling the talks?

MR MACGREGOR: That would be normal for Mr Scargill. That is absolute nonsense. As usual Mr Scargill lies in his teeth. Now as far as I am concerned I will meet Mr Scargill and any other member of the NUM who purports to represent the people and who is prepared to try to work out a long term secure future for this business with me.

INTERVIEWER: I am sure Mr Scargill would say he would welcome this.

MR MACGREGOR: All right, I am prepared to do it. Is he ready to meet me on Sunday?

INTERVIEWER: He is saying he is prepared to meet you later this week. I don't know about Sunday.

MR MACGREGOR: Well I tell you. I will meet him any day. I am prepared to meet him on Sunday. Sunday is the first day clear on the agenda for this when I can get hold of my colleagues together and I am sure if he has got something useful to add to this debate we will meet with him on Sunday.

INTERVIEWER: Mr Scargill says he will meet you on Sunday but he wants to raise on the agenda the question of uneconomic pits and their closure.

MR MACGREGOR: I think that will be fine. We are always prepared to talk about them and ....

INTERVIEWER: And what if he says he refuses to discuss that aspect?

MR MACGREGOR: Well, obviously there is nothing going to be done. There is no point in sitting there looking at each other.....

INTERVIEWER: [Unclear. Talking together]

MR MACGREGOR: ..... well we have got to deal with this problem. It far transcends the mining industry. It is a matter for the total British population who subsidises all of these pits.

INTERVIEWER: So in a nutshell you are saying no talks unless Mr Scargill is prepared to talk about the closure of uneconomic pits?

MR MACGREGOR: I think that there is no reason for us not meeting if Mr Scargill has got any constructive suggestions to offer with regard to the future of this business.

FILE cc: MISC 101



LP DTI  
 HO EMP  
 HMT Trans  
 Energy CO + LPS, Chief Whip  
 MOD  
 SO

10 DOWNING STREET

THE PRIME MINISTER

4 September, 1984.

*Dear Mr. Kinloch,*

Thank you for your letter of 3 September with which you enclosed a resolution of the Parliamentary Committee of the Labour Party seeking a recall of Parliament to discuss the industrial situation.

You will recall that we debated the industrial situation on 31 July, the day before the House rose. During that debate, I pointed out that over many years pits which are not totally exhausted have been closed when it is no longer economic to mine them: the Labour Government not only acted on this principle but also embodied it in legislation. The Opposition claimed that the dispute was about procedure for pit closures rather than about the principle. On the following day, the Chairman of the NCB issued a statement, a copy of which I enclose, making it clear that this procedure remained unchanged from the period of the Labour Government.

Since the debate, the point at issue has not changed. Nor has the NCB offer to the miners. The ballot of members of the NUM which you yourself urged on 12 April has not occurred. Violence and intimidation by some union members against their colleagues continue in an effort to prevent them from working: nevertheless those who wish to go to their place of work are able, thanks to the police, to do so.

The dispute could be quickly settled if the NUM were prepared to discuss with the NCB ways of achieving a

prosperous and efficient industry on the basis of principles and procedures which were accepted in the Report on the Plan for Coal which was agreed by the last Labour Government, the NCB and NUM, and which have been operated in the industry under successive governments.

The Government do not see that any useful purpose would be served by a recall of Parliament at the present time.

Yours sincerely

Margaret Thatcher

---

The Rt. Hon. Neil Kinnock M.P.

UNCHECKED.

A

ROBERT MAXWELL - INTERVIEW ON NEW NUM/COAL BOARD MEETING

Transcript from: BBC Radio 4, World at One, 3 September 1983

INTERVIEWER : (Gordon Clough) .... and today's Daily Mirror not a newspaper backward in blowing its own trumpet now that the ebullient Robert Maxwell is at the helm, makes the immodest claim on its front page that it's been acting as the peacemaker between Coal Board and the miners union. I quote " through the good offices of the Daily Mirror leaders of the Coal Board and the National Union of Mineworkers will resume talks to end the 6 months strike." The paper goes on to say unequivocally that the meeting is scheduled to take place at an hotel near London towards the end of this week. Mr Macgregor confirmed a few minutes ago that Mr Maxwell had brought the two sides together, and we hope to be hearing from him shortly. So I asked Robert Maxwell how he got involved?

MAXWELL : A couple of days ago the chairman of the Coal Board, Mr Macgregor, indicated to us that he is willing to restart negotiations immediately. When Mr Walker came back he made a speech in Manchester yesterday indicating, amongst other things, that he would like to see negotiations restart immediately. I met Mr Scargill and his senior colleagues at Sheffield some weeks ago and understood that they would like to start negotiations immediately. And as there was some problem as to who was going to pick up the telephone first I performed the useful service for both parties, since they desired to engage in negotiations, to bring them together. And they have agreed to meet later this week in a hotel in London.

INTERVIEWER H: Do we know when?

MAXWELL: We do know when but that's a matter for the parties and not for me to disclose on the radio.

INTERVIEWER : How do you account for the optimistic view taken in your leader page this morning when you say that suddenly there seems to be a new spirit of goodwill, where is that evident?

MAXWELL : That's evident from all parties desire to resume negotiations and to do so on the basis of the Plan for Coal. The argument about beneficial and all kinds

?

of words have now been withdrawn and kicked off the table. And the Coal Board and the Miners will resume negotiations for the first time both looking for a settlement on fair and honourable terms which will be good for the miners, good for the Coal Board and good for the taxpayers.

INTERVIEWER : In your talks with Mr Scargill did he ever indicate to you that he would be prepared to modify his stance on this question of the closure of uneconomic pits?

MAXWELL : Well, the Plan for Coal under the plan for coal pits have been closed under Mr Scargill. He has always fought closures but at the end of the day if it is uneconomic or dangerous or whatever reality is reality.

INTERVIEWER : So you are saying then that Mr Scargill, however reluctantly, has now come to the conclusion that uneconomic pits will have to be closed and the jobs will have to be sacrificed?

MAXWELL : No I'm not saying that. What I'm saying is that after a 6 months bitter strike I'm not negotiating for Mr Scargill nor can I claim to speak on his behalf. Speaking as the publisher of the Mirror Group newspaper I'm satisfied that there is goodwill and the National Union of Mineworkers after 6 months want to settle. I'm equally satisfied that the Coal Board accept that there will be no massive return of workers being starved out. There has to be an honourable end to this strike on mutually satisfactory terms.

INTERVIEWER : What is a newspaper publisher doing involving himself in negotiations of this kind?

MAXWELL : What a newspaper publisher, knowing all of the parties - and in particular the Coal Board and the Mineworkers wanted to get back to negotiations immediately, and as neither of them could get into touch direct with the other without being accused that they were seeking a meeting or suing for one someone had to bring the two parties together by mutual consent to enable them to meet

C Noon: 3rd Sept 89

STATEMENT BY MR IAN MacGREGOR

During the weekend I was approached on behalf of the NUM.

In those conversations I was told that the NUM, after talks with the TUC in Brighton, had accepted the need for negotiations on the NCB plans for the future of pits.

It was agreed that steps should now be put in hand so that a meeting would be arranged at a time convenient to both parties. The NCB welcomes this approach in view of the need to settle this dispute which has so divided the people working in the coal mining industry.

---

At a lunchtime Press Conference MacGregor admitted that the "approach" was a telephone call from Robert Maxwell in Brighton over last weekend.

He said Peter Heathfield had also contacted Ned Smith.

MacGregor said he was optimistic about further talks being arranged later this week. He thought Scargill was under some pressure from the TUC to be more realistic. B M



PETER WALKER - INTERVIEW ON GOVERNMENT OFFER TO EXTEND PLAN FOR COA.

Trnsript from: BBC Radio 4, World at One, 3 September 1984

INTERVIEWER : (Gordon Clough) .... Peter Walker said at the weekend that the National Coal Board is willing to offer, and the Government is willing to underwrite, an extension of the plan for Coal that will be good for the miner and good for the coal industry as a whole. He said the plan would man a further massive investment in the industry, investment in the new coal fields with high production potential and better machiner in coal faces in many; existing fields. Well that sounds a pretty tempting recipe for any miner anxious about the future of the industry. However, Mr Walker studiously avoided the essence of what worries Mr Scargill, namely the closure of uneconomic pits and the loss of jobs. I put it to Mr Walker that his assurances about the coal industry's future weren't likely to calm Mr Scargill's fears about pit closures and jobs losses?

WALKER: Well I think the fact is that from the very beginning of this dispute there should have been no dispute upon the problem of job losses. And here was an industry, a major industry, guaranteed that any miner who wished to continue to be a miner would be able to do so. ~~N~~ ~~w~~ ~~x~~ ~~k~~ ~~n~~ ~~x~~ there are many industries throughout the country that would ~~w~~ ~~x~~ love to have that assurance. But that's been on offer by the Coal Board to the miners from the very beginning of this dispute.

INTERVIEWER : Well why is it then that Mr Scargill keeps on talking about thousands of jobs being lost?

WALKER: You must ask Mr Scargill those questions. But indeed I'm hopeful - I gather that over this last weekend approaches have been made that talks should continue and that Mr Scargill is at last willing to discuss the, tackling the problems of uneconomic pits. And I welcome that and if he does that sensibly then there's no need for this dispute to continue much longer.

INTERVIEWER : Do I take it then, Secretary of State, that even with the closure of uneconomic pits you are actually saying that there will be no job losses involved?

WALKER: I'm saying that not one miner who wishes to continue to be a miner will be stopped from doing so. What there will be will be some early retirements on the most generous terms of a totally voluntary nature. And that has been what the Government decided before this dispute started. But of course there's always

the closure of uneconomic pits, there have been throughout every Labour Government, throughout every National Coal Board since the ~~war~~ war. And that must continue, ~~only~~ obviously it's sensible and sane, ~~and~~ and has always been the case. And this is the first time we've had a president of the NUM saying that his demand that any pit no matter how uneconomic should be kept going. Well that's ~~crazy~~ crazy. But I gather that he's now agreed, perhaps under TUC pressure, I don't know, to move from that position. And if he has I welcome it and there should soon be a settlement. And what is more, a plan for coal which will give that industry a very good future.

INTERVIEWER : Secretary of State, you said at the weekend you ~~talked~~ talked rather, about a massive new investment in the coal industry. Is that new investment over and above what has already been envisaged?

WALKER : No, I mean, good heavens ~~no~~ no. I mean, what I was saying over the weekend is that this Government has invested in the coal industry new capital investment £650 million more than was envisaged in Plan for Coal. What I'm now saying is that this Government is willing over the next few years to invest another £3,000 million in capital investment in coal. And we think it's a good and sound investment in producing what will be cheap coal, high productivity with the best machinery. And then we can start conquering markets at home and abroad. We can expand the industry.

INTERVIEWER : Do you believe that the TUC general council's general statement of support for the miners is going to damage this dispute even further?

WALKER : Well all I can say is that it was what 4 months ago that all of the transport unions made a similar statement. And of course in the period since the coal has been delivered in vast quantities and has been moved. The reality is that trade unionists, the rank and file trade unionists in this country has expressed in 3 ~~or~~ opinion polls over the weekend, has been expressed in the votes of dockers, has been expressed in the actions of lorry drivers, the fact is that they sympathise with the the one third of miners that had the opportunity of a ballot and decisively balloted against strike action. And they feel sorry for the two thirds that were deprived of a ballot and are kept out by mob picketing. But the idea that they want to support those and deprive the ~~of~~ of a ballot and support those that a

that are suing the mob picketing method I don't think is true. And every opinion poll and every action of trade unionists shows that..

INTERVIEWER : It seems to me then that you are saying that you would not expect as a result of the TUC conference congress at Brighton that the miners are going to get the sort of support that they're really looking for?

WALKER : Obviously what goes on at the TUC behind the scenes may well be as important as what goes on in front of the scenes. And there's seemingly behind the scenes that they have persuaded Mr Scargill to enter negotiations upon the problem of uneconomic pits. And if they've succeeded in doing that and there's a successful negotiation they will have made a positive contribution. But obviously only time will tell whether that is the case.

SECRET

Fly

3

PRIME MINISTER

Coal Dispute

Mr. Walker and Mr. MacGregor are coming to see you tomorrow at 5 p.m. I have also invited Mr. Gregson.

You will want to establish:-

- (i) What are the understandings on which the talks have been re-launched?
- (ii) What are the prospects for an outcome which is acceptable to the Government?
- (iii) What will be Mr. MacGregor's negotiating tactics?

On (i) it has not emerged <sup>clearly</sup> whether the NUM have in fact changed their stance. On "The World at One", Mr. Maxwell declined to comment on Mr. Scargill's position - Flag A. While Mr. Walker sought to make clear that Scargill is now willing to discuss closure of uneconomic pits - Flag B - Mr. MacGregor's statement - Flag C - made no explicit reference to closure of uneconomic pits. What precisely has been agreed? What is to stop a repetition of the last meeting?

On (ii) it is not clear what further concessions could be made beyond those offered at the last talks, the text emerging from which is the last document in the main folder. The NCB offer last time was perilously close to going too far. Are there any limited concessions which the NUM are seeking which could be given without compromising the essential principles?

On (iii) how does Mr. MacGregor intend to play the negotiations? Does he propose to pick up the previous text, or start from scratch? The difficulty with the former approach is that it is difficult to add much to it without undermining the Government/NCB position.

SECRET

/ While

While Mr. MacGregor is in, you could ask for a direct report on:-

- (i) The state of the return to work.
- (ii) What measures could be taken to accelerate it.
- (iii) The position on threatened coal faces and on faces already lost. (When the NCB describes a face as lost, is this an absolute position or is it merely a statement that it could be re-opened only at great and possibly prohibitive expense?)
- (iv) Whether the threat by management to withdraw safety cover is effective in exerting pressure?
- (v) Whether there is any change in his assessment of the balance of advantage on closures and redundancies during the course of the strike?

AT

3 September, 1984.



HOUSE OF COMMONS  
LONDON SW1A 0AA

The Office of the Leader of  
the Opposition

3 September 1984

*Dear Pádraig Ruane,*

The enclosed statement was agreed upon by the Parliamentary Committee this morning.

I hope that you will meet our request as a matter of urgency.

*Yr sincerely*

*Margaret Thatcher*

Rt Hon Margaret Thatcher MP

*Express*

The Parliamentary Committee calls on the Prime Minister to seek the recall of Parliament to debate the Government's responsibility for the present industrial situation, its refusal to take any initiative to bring the two sides in the coal mining dispute into negotiation and its willingness to allow Britain's deterioration of economic, industrial and social condition.

There is now strong and widespread feeling amongst the general public that the Government must become actively involved in seeking a resolution to the coal mining dispute. We have been pressing that view for months past. The Government's continued refusal to undertake constructive intervention to promote a settlement is a desertion of its plain duty.

Last Wednesday, 29 August, the Prime Minister cancelled her trip to the Far East scheduled to start on 14 September because 'against a background of the present industrial situation, it would not be right for her to be so far from Britain for this period'.

In the view of the Parliamentary Committee it would indeed be wrong for the Prime Minister to be away from this country at a time when her Government's neglect of its obvious responsibilities during the 26 weeks of the coal mining dispute has brought the nation to such a state of crisis.

The Parliamentary Labour Party voted against the adjournment of the House of Commons at the beginning of August because

Cont'd/...

it felt that Parliament should be able to monitor the effect of the industrial dispute.

The Prime Minister has made a clear if reluctant admission that the industrial situation has deteriorated by cancelling her visit to South East Asia. But cancellation is all that she has done. She must now try to explain her failure to take action to resolve the mining dispute. She owes that to the British people and she must do it in the House of Commons.





FERB

Handwritten notes in the top right corner:  
MISC 101 CH/EX  
S/Enquiry  
S/DTI  
S/Defence  
S/Env  
S/Transport  
Home Sec  
A Gen

10 DOWNING STREET

*From the Private Secretary*

3 September 1984

I attach a copy of a letter which the Prime Minister has received from the Leader of the Opposition requesting a recall of Parliament to discuss the present industrial situation. The Prime Minister would be grateful if this could be discussed at tomorrow's meeting of MISC 101. At present her inclination is that this request should be refused and the attached suggested reply is drafted along these lines. I should be grateful for any drafting comments as soon as possible.

I am sending copies of this to the Private Secretaries to members of MISC 101, the Lord Privy Seal, Chief Whip and to Sir Robert Armstrong.

Tim Flesher

Miss Janet Lewis Jones  
Lord President's Office

Handwritten initials 'cc' in the bottom right corner.

DRAFT REPLY TO MR KINNOCK

Thank you for your letter of 3 September with which you enclosed a resolution of the Parliamentary Committee of the Labour Party seeking a recall of Parliament to discuss the industrial situation.

I am surprised at the timing of your request, coming as it does immediately upon the announcement by the Chairman of the National Coal Board of fresh talks with the National Union of Mineworkers aimed at ending this damaging dispute. We must all hope these negotiations succeed. As you know, the Government has already intervened in the dispute to ensure a pay deal which will keep miners 25% ahead of average industrial earnings; which will ensure no compulsory redundancies in the coal industry; which will provide the most generous voluntary redundancy terms in any industry at any time; and which will maintain investment in the coal industry at levels far above any achieved or planned by the last Labour Government.

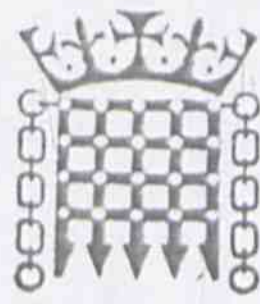
Far from what you call a "refusal to undertake constructive intervention" in the dispute, that offer has encouraged over 65,000 NCB employees to remain at work and provided the basis for seven days and 35 hours of talks between the NCB and the NUM. The only point preventing a settlement in these talks has been the NUM's persistent demand that pits should remain open whether or not they are beneficial to the industry. You will be aware that this is a totally unreasonable demand. The last Labour Government set out in their tripartite report/Plan for Coal

/that uneconomic

that uneconomic capacity would have to be closed; they embodied principle that/in legislation; and, of course, they endorsed the closure of uneconomic pits.

In the debate in the House of Commons on 31 July the Labour Party did not deny this and claimed that the dispute was essentially about the procedure for the closure of uneconomic pits. Since the Chairman of the NCB subsequently issued a statement, making it clear that this procedure remained unchanged from the period of the Labour Government, the way is clear for a settlement based on the offer made by the NCB to the NUM in July. I hope that you will therefore urge the leadership of the NUM to drop their unreasonable demands and to put the NCB offer to a democratically conducted ballot of their membership of the kind you yourself supported in the House on April 12.

Your letter requests a recall of Parliament for a debate on the dispute. As you acknowledge, your letter reiterates the allegations which the Labour Party has been making since the beginning of this dispute. These allegations have been discredited time and again in the House of Commons, most recently in the debate on 31 July. The arguments have not changed since then and I do not believe that any useful purpose would be served by repeating them. Nevertheless, the Government would, of course be ready to request a recall of Parliament should we consider that the situation demands such a course.



HOUSE OF COMMONS  
LONDON SW1A 0AA

The Office of the Leader of  
the Opposition

3 September 1984

Dear Pami Munster,

The enclosed statement was agreed upon by the Parliamentary Committee this morning.

I hope that you will meet our request as a matter of urgency.

Yr sincerely

Nat Munster

Rt Hon Margaret Thatcher MP

The Parliamentary Committee calls on the Prime Minister to seek the recall of Parliament to debate the Government's responsibility for the present industrial situation, its refusal to take any initiative to bring the two sides in the coal mining dispute into negotiation and its willingness to allow Britain's deterioration of economic, industrial and social condition.

There is now strong and widespread feeling amongst the general public that the Government must become actively involved in seeking a resolution to the coal mining dispute. We have been pressing that view for months past. The Government's continued refusal to undertake constructive intervention to promote a settlement is a desertion of its plain duty.

Last Wednesday, 29 August, the Prime Minister cancelled her trip to the Far East scheduled to start on 14 September because 'against a background of the present industrial situation, it would not be right for her to be so far from Britain for this period'.

In the view of the Parliamentary Committee it would indeed be wrong for the Prime Minister to be away from this country at a time when her Government's neglect of its obvious responsibilities during the 26 weeks of the coal mining dispute has brought the nation to such a state of crisis.

The Parliamentary Labour Party voted against the adjournment of the House of Commons at the beginning of August because

Cont'd/...

it felt that Parliament should be able to monitor the effect of the industrial dispute.

The Prime Minister has made a clear if reluctant admission that the industrial situation has deteriorated by cancelling her visit to South East Asia. But cancellation is all that she has done. She must now try to explain her failure to take action to resolve the mining dispute. She owes that to the British people and she must do it in the House of Commons.



The London School of Economics and Political Science  
Houghton Street, London WC2A 2AE 01-405 7686

cc PUA  
✓

With the compliments of

Sir Alfred Sherman.

Please note in particular Tables:-  
4, 5, 6 & 7.

Could file

DRAFT

The dialogue of the deaf in which the National Coal Board and the National Union of Mineworkers are currently embroiled has again exposed apparently irreconcilable perceptions of what is or is not an economically viable pit and, in broader terms, the nature of the Government's commitment to the industry's future.

The Government's aim, Mr Scargill insists, is to butcher the industry. If this is, in deed, the intended objective, no expense has been spared in recent years to fatten the beast for the slaughter, as Table 1 demonstrates.

TABLE 1 - Government support for NCB 1978-83

£ million - outturn prices

Year Ended March	External financing requirement	External financing limit	Total grants	Of which deficit grant under Coal Industry Act 1980	NCB surplus/ (deficit) after grants
1978	312	356	75		21
1979	607	625	172		(19)
1980	651	709	251	159	--
1981	824	833	254	149	(58)
1982	1,225	1,238	575	428	--
1983	951	962	520	374	(111)

Source: Monopolies and Mergers Commission, NCB Report and Accounts

In 1981 the Government and the NCB attempted to accelerate pit closures in response to exponential increases in the industry's drain on the Exchequer, but, chiefly as a result of Union opposition, the programme was withdrawn and further cash was made available.



Nevertheless, the situation has deteriorated again, and in 1982/3 the NCB recorded a deficit of £111 million despite receiving a deficit grant of £374 million, becoming thereby technically insolvent and necessitating still further special financial provision. In the current year the Government has allocated £1.1 billion in the form of grants and provision for further borrowing, representing nearly two-thirds of net Government assistance to the nationalised sector. The effects of the present dispute will further debilitate the NCB's financial position.

The NUM refuses to contemplate, or even to discuss, any pit closures on any grounds other than total exhaustion. The industry's objectives, as laid down by the Secretary of State in 1983, require the Board to reduce capacity into line with its share of the market and to cut its real operating costs over five years. The twin problems of over-capacity and high-cost pits have been appreciated since the effects of the recession began to bite into the Board's trading revenues. Increasing public subsidies have not eradicated the need to take rapid and radical steps to reshape the industry's productive capacity to meet future market conditions. In his annual statement for 1983 the NCB's last Chairman reiterated that "it cannot be right . . . that a small proportion of our total output, mined from persistently unprofitable pits with no prospect of viability, should be responsible for the greater part of both surplus output and financial losses."

Tables 2 and 3 show how capacity has increasingly outstripped demand, and how operating losses from deep-mining have risen despite improvements in productivity.

TABLE 2 - Deep-mined coal - output and consumption 1978-83

(Million tonnes)

Year ended March	NCB output	Of which deep mines	Inland consumption	Imports	Exports	Total stocks (NCB & customers)
1978	120.9	106.3	121.6	2.7	1.8	29.8
1979	119.9	105.5	122.5	2.1	2.1	28.8
1980	123.3	109.3	128.4	5.1	2.5	27.7
1981	126.6	110.3	120.3	7.3	4.7	38.4
1982	124.3	108.9	117.0	4.2	9.4	43.5
1983	120.9	104.9	110.4	3.4	7.1	53.3
1984 (forecast)	119.0	103.0			7.2	

Source: NCB Report and Accounts, Public Expenditure White Paper 1984

TABLE 3 - Deep-mined coal - results 1978-83 (outturn prices)

Year ended March	Operating profit/ (loss) (fm)	Operating profit/ (loss) (£ per tonne)	Output per manshift (tonnes)
1978			2.19
1979	(26)		2.24
1980	(122)		2.31
1981	(107)		2.32
1982	(226)	(2.09)	2.40
1983	(312)	(2.99)	2.44

Source: NCB Report and Accounts

Mr Scargill repeatedly claims that British deep-mined coal is the cheapest in the world. The NCB Chairman, Mr MacGregor, rates it amongst the most expensive. Whatever the true price ranking of British deep-mined coal (and different national accounting methods and subsidy mechanisms make it almost impossible to distinguish the true picture) it is beyond rational argument that a significant slice of current output is uneconomic in any terms. Figures prepared for 1981/82 by the Monopolies and Mergers Commission<sup>(1)</sup> showed that the least profitable 10% of output (some 10.6 million tonnes) lost £263 million (or nearly £25 per tonne) and the worst 15% (16 million tonnes) £332 million (or over £20 per tonne).

---

1 Monopolies and Mergers Commission, National Coal Board, Cmnd 8920, June 1983.

The Monopolies and Mergers Commission report also allows the principal loss-making pits to be indentified. Tables 4 and 5 show the top 12 loss-makers and, in contrast, the top 12 profit-makers.

TABLE 4 - Top 12 loss-makers 1981/82

Pit	NCB area	Saleable output ('000 tonnes)	Output per manshift (tonnes)	Operating costs (£ per tonne)	Operating loss (£ per tonne)
Treforgan	S Wales	62	0.64	153.0	(104.8)
Tymaur/Lewis Merthyr*	S Wales	76	0.59	128.6	(83.9)
Abertillery	S Wales	110	0.68	114.3	(71.0)
Snowdon	S Mids	129	0.69	112.2	(68.6)
Wyndham/Western*	S Wales	124	0.89	88.2	(45.4)
Nantgarw	S Wales	165	1.30	87.3	(42.5)
Bedwas	S Wales	149	1.09	81.3	(39.4)
Cardowan* (in Glasgow)	Scottish	267	1.30	69.9	(38.3)
Penrikyber*	S Wales	140	0.98	79.6	(33.8)
Tower	S Wales	134	0.91	87.0	(33.2)
Garw	S Wales	198	1.22	72.7	(31.0)
Oakdale	S Wales	237	1.23	74.3	(30.7)

\* Pits already closed.

Source: Monopolies and Mergers Commission

TABLE 5 - Top 12 profit-makers

Pit	NCB area	Saleable output ('000 tonnes)	Output per manshift (tonnes)	Operating costs (£ per tonne)	Operating profit (£ per tonne)
Daw Hill	S Mids	1,119	4.21	25.7	12.5
Hapton Valley	Western	173	3.56	28.2	12.0
Thoresby	N Notts	1,640	5.12	21.9	11.8
Betws Mew Mine	S Wales	589	4.40	42.2	10.5
Ollerton	N Notts	1,048	4.16	24.6	10.3
Welbeck	N Notts	1,156	4.13	24.0	9.5
Silverwood	S Yorks	853	2.67	34.8	9.5
Bagworth	S Mids	950	5.56	21.6	8.7
Rossington	Doncaster	1,074	3.26	27.7	8.2
Manton	S Yorks	879	3.52	28.7	7.7
Florence	Western	1,016	3.68	29.6	7.0
Shirebrook	N Derbys	1,681	4.19	26.3	6.8
Ireland	N Derbys	657	3.92	27.5	6.8

Note: The position of Betws is artificially high as a result of abnormally high sales returns.

Source: Monopolies and Mergers Commission

Some of the pits in Table 4 have already been closed or can be assumed to be high on the list for closure in the proposals announced recently to shed four million tonnes of capacity in the current year.

Many of the pits most at risk are concentrated in the South Wales, Scottish and North East areas. Results from the last two years for which figures are available show how productivity and profitability vary between areas. (Table 6).

TABLE 6 - NCB performance by area

Area	Output per manshift (tonnes)		Operating profit/ (loss) (£m)		Operating profit/ (loss) (£ per tonne)	
	1983	1982	1983	1982	1983	1982
Scottish	1.97	2.00	(67)	(34)	(10.16)	(4.68)
North East	2.09	2.07	(67)	(49)	(5.41)	(3.62)
North Yorkshire	3.01	2.80	(15)	(20)	(1.83)	(2.45)
Doncaster	2.30	2.27	(14)	(18)	(2.09)	(2.45)
Barnsley	2.64	2.71	(15)	(7)	(1.80)	(0.85)
South Yorkshire	2.35	2.22	(11)	(3)	(1.43)	(0.48)
North Derbyshire	3.30	3.33	4	3	0.51	0.32
North Nottinghamshire	3.25	3.17	40	42	3.21	3.44
South Nottinghamshire	2.69	2.68	(19)	(18)	(2.32)	(2.16)
South Midlands	2.51	2.52	(27)	(17)	(3.31)	(1.94)
Western	2.53	2.45	(8)	(9)	(0.75)	(0.84)
South Wales	1.47	1.47	(113)	(96)	(16.38)	(12.69)
Total	2.44	2.40	(312)	(226)	(2.99)	(2.09)

Source: NCB Report and Accounts

In 1982/3 losses recorded by the South Wales area alone represented 36% of total NCB operating losses on deep-mining, and between them the Scottish and North East areas contributed a further 43%. All three areas showed significantly poor productivity per man in comparison with other areas.

It is clear that Government support for coal mining has more than ever become an extension of regional policy by other means. As Table 7 reveals Government grants now represent an effective job subsidy of nearly £4 thousand per employee, a subsidy which costs three times as much in real terms as it did in 1978/9.

TABLE 7

Year	Men on colliery books	Govt grants at 1982/3 prices (£m)	Real grant per employee (£)
1978/9	232,400	279	1,200
1979/80	233,200	339	1,434
1980/1	224,800	285	1,268
1981/2	212,800	356	1,673
1982/3	207,600	695	3,348
1983/4	181,200	661	3,648
1984/5	*161,000	*617	3,630

Source: The Guardian, 3 May 1984 from Government and NCB figures.

\* Targets

If one assumes, then, that uneconomic pits will have to be closed (and the need to accommodate 24 million tonnes of new capacity due on stream by 1987 reinforces the urgency of such action), and that many closures will occur in areas already badly affected by the recession and the structural decline of other industries, it would be desirable for the Government to increase regional assistance to areas where local communities depend heavily on coal mining for their existence, and where both the short-term and long-term impact of an accelerated closure programme would be most severely felt. The Government has recently reaffirmed its commitment to regional assistance as a means of alleviating the worst effects of unemployment and industrial change, but has emphasised that future assistance must be more selective and cost-effective.

Clearly, within this framework it is nonsensical to continue to subsidise jobs in coal mining in areas and at pits where mining is both uneconomic and superfluous. There is a clear argument, both socially and economically, for channeling some Government assistance away from grants and subsidies to the coal industry and into programmes designed to grease the wheels of industrial change and stimulate the growth of new economic activity in areas where older industries are in decline.

We suggest that these objectives could be achieved by accelerating the rate at which derelict land in coal mining areas is reclaimed and returned to profitable use. Such a programme would demonstrate both a social conscience and an enlightened vision of the future on the part of the Government. It would in the short-term alleviate the adverse effects on local employment of pit closures in those areas where it will be necessary,



and in the longer term make those areas more attractive and accessible to new industry and as a consequence increase their potential for future growth.

---

The Government has already begun to recognise the need to respond to the problem of dereliction in general, and to the role of coal mining as a major contributory cause. Future mining projects now have to conform to a more rigorous code of planning requirements than was previously the case. The Flowers Commission report, Coal and the Environment<sup>(1)</sup>, published in 1981, drew attention both to dereliction caused by past and present mining activity, and to that which would arise as a result of future operations.

In its response to the Flowers Commission report<sup>(2)</sup> the Government expressed its appreciation of the need to repair past dereliction and minimise that likely to occur in the future. It reaffirmed its commitment to providing "selective assistance . . . both to help clear environmental dereliction, and to encourage new job opportunities. Substantial progress has been made on both these fronts over the years, especially in the older mining areas of the North East, Scotland and South Wales."

---

1 Coal and the Environment, report by the Commission on Energy and Environment. 1981

2 Coal and the Environment. The Government's response to the Commission on Energy and the Environment's report. 1983. Cmnd 8877.

The Government has introduced a specific allocation for the clearance of coalfield dereliction within its total provision for all reclamation projects, and the Department of the Environment has encouraged discussions between the NCB and local authorities on how best to proceed with such action (particularly in Yorkshire, where the Flowers Commission had identified a significant backlog).

The Government also expressed its hope that surveys of derelict land and mineral workings, then awaited, would provide a basis for taking stock of the problem and reviewing priorities.

The first of these, a survey by the Department of the Environment of derelict land in England<sup>(1)</sup> is now available. It shows how the nature and extent of dereliction changed between 1974 and 1982. Table 8 summarises the results for the standard regions.

(Note to Table 8

Derelict land is defined for grant purposes as 'land so damaged by industrial or other development that it is incapable of beneficial use without treatment'.

Not all derelict land is considered suitable for reclamation - the proportion classified as suitable is approximately 75% of the total nationally, though with significant local variations.)

---

1 Survey of Derelict Land in England 1982, Department of the Environment, February 1984.

TABLE 8

## Derelict land 1974 - 1982: England

12

(hectares)

Region	Derelict land as of 1/4/74	Of which spoil heaps	Of which excavations & pits	Derelict land as of 1/4/82	Of which spoil heaps	Of which excavations & pits	Net new dereliction	% rise or fall 1974-82	Land restored 1974-1982
North	9,411	2,922	1,690	7,307	1,872	1,043	-2,104	-22.4	3,742
North-West	8,015	2,083	1,203	10,042	2,012	1,381	2,027	25.3	3,949
Yorks & Humberside	5,451	1,289	1,599	5,431	1,070	1,433	-20	-0.4	2,216
West Midlands	4,667	1,373	672	5,787	2,174	917	1,120	24.0	3,445
East Midlands	5,171	1,090	1,166	5,198	1,225	1,258	27	0.5	2,027

(Source: Department of Environment)

MORE

TABLE 8 (Continued)

Derelict land 1974 - 1982: England

(hectares)

Region	Derelict land as of 1/4/74	Of which spoil heaps	Of which excavations & pits	Derelict land as of 1/4/82	Of which spoil heaps	Of which excavations & pits	Net new dereliction	% rise or fall 1974-82	Land restored 1974 - 1982
East Anglia	1,743	1	408	804	15	305	-979	-56.2	310
South-West	6,415	4,307	843	6,635	4,870	420	220	3.4	420
South-East	2,036	5	1,083	2,525	57	1,439	489	24.0	421
Greater London	324	48	53	1,954	45	382	1,630	503.1	422
England	43,273	13,118	8,717	45,683	13,340	8,578	2,410	5.6	16,952

(Source: Department of Environment)

As can be seen, the most significant improvements have been confined to the North and East Anglia. In some regions the situation has remained broadly static, but in others a marked deterioration in net dereliction is apparent - Greater London (503% rise), the North West (25%), the West Midlands (24%) and the South East (24%) - against an average national increase of 5.6%

Dereliction directly attributable to all mining and extraction operations rose by less than this (that categorised as spoil heaps showing a 1.7% rise and that as excavations and pits showing a 1.6% fall) but these national averages conceal a considerable increase in some regions. In the West Midlands dereliction attributable to spoil heaps rose by 58%, and that attributable to excavations and pits by 36%. In the South East dereliction attributable to excavations and pits rose by nearly 33%. In the East Midlands, where the net increase in all dereliction was marginal, that attributable to spoil heaps rose by over 12% and that to excavations and pits by nearly 8%.

Within the regional totals it is apparent that success in clearing existing dereliction, including that deriving from mining activity, has been variable. Taking those counties where coal mining is an important economic activity significant improvements have been achieved in Durham, Northumberland and South Yorkshire, for example. In other counties (Tyne and Wear, West Yorkshire and Staffordshire, for instance) the situation appears to have changed little since 1974, with new dereliction broadly matching the rate at which land is restored. In some mining counties, however, there has been a marked increase in dereliction, and in some cases (though not in all) much of this can be attributed directly to mining activity, as Table 9 shows.

TABLE 9

County	Derelict land as of 1/4/74	Of which spoil heaps	Derelict land as of 1/4/82	Of which spoil heaps	Colliery spoil heaps 1/4/82
Merseyside	529	213	1,716	367	237
Greater Manchester	3,405	1,265	4,035	1,105	796
Lancashire	2,370	555	2,742	509	74
Shropshire	527	428	1,196	818	700
Warwickshire	478	105	977	227	159
West Midlands	1,535	358	1,883	613	342
Derbyshire	1,797	744	2,265	903	662
Nottinghamshire	847	236	1,080	174	152

Source: Department of the Environment

It appears from the county totals in Table 9 that some of the worst increases in dereliction have been in areas where mining is in general relatively profitable, and where expansion and development will be concentrated. Nevertheless, the county totals are themselves misleading, and both within the counties appearing in Table 9 and in others where total dereliction has fallen or remained static since 1974 there are a number of individual local authority

areas where colliery or other dereliction continues to represent a significant problem, and where the existing backlog remains large. To take an extreme example, in 1982 the Wrekin in Shropshire had 673 hectares of colliery spoil heap within its area, representing over 50% of all dereliction in the entire county. Other authorities with large tracts of colliery spoil heap to deal with include Wigan in Greater Manchester (545 hectares), Bolsover and Amber Valley in Derbyshire (225 and 161 hectares respectively), Wakefield in West Yorkshire (182 hectares) and Sunderland in Tyne and Wear (166 hectares).

To sum up so far, in England at least statistical averages presented in the Department of the Environment's latest survey are to some extent misleading, and conceal underlying increases or persistent backlogs in dereliction concentrated in specific localities. Relating the problem of derelict land specifically to coal mining activity there are particular county and local authority areas where a significant proportion of all derelict land results from derelict spoil heaps and mine workings. Where concentrations of derelict land exist, either as a consequence of mining activity or other industrial use, these represent a wasted resource and one which could justifiably be returned to profitable use, particularly where coal field or other dereliction is concentrated in urban areas. (Over two-thirds of all spoil heaps in both East and West Midland regions are in urban areas, for example.) Such land would be especially suitable for industrial or residential use after restoration, in line with existing Government preferences in allocating cash for clearance projects.

Similar conclusions apply to Scotland and Wales, where a number of unprofitable pits are concentrated and where further closures are likely beyond those already implemented in the 12 months to March this year (5 pits in Scotland and 6 in South Wales). Unfortunately up to date statistics on dereliction are not available, but surveys made in the early 1970s revealed a significant correlation between dereliction and mining. In Central Scotland, where most derelict land is concentrated, 6,685 hectares out of a total of 15,900 were attributable to mineral extraction and tipping. In Wales, much dereliction is concentrated in the mining valleys of Gwent and Mid Glamorgan, and over 75% of all land reclaimed by the Selsh Development Agency between 1976 and 1981 was former colliery land. Informed speculation suggests that, in spite of sizeable reclamation programmes, the situation is progressively deteriorating in both Scotland and Wales.

The Government's record on reclamation is sound as far as it goes. Financial provision for grant-aid payable through the Department of the Environment has risen from £36.7 million in 1981/2 to £45.7 million in 1982/3 and £75 million for 1983/4. This year's allocation is £74.5 million. The Derelict Land Act 1982 collected and codified earlier legislation, and recent measures have ensured that local authorities, who receive the bulk of Government grants for reclamation, have separate allocations for this purpose. Almost all mining areas are within designated assisted or derelict land clearance areas, and thus qualify for 100% grants. In December 1981 the Government announced a new initiative to encourage private sector involvement in reclamation projects, and priority in awarding grant aid is given to applications which promise an industrial, commercial or residential after-use.



Nevertheless, there is scope for an imaginative programme of supplementary Government assistance, targeted on those areas where the backlog of dereliction is most acute and where likely pit closures offer a serious threat to employment and the prosperity of local communities.

Experience suggests that it is not simply the limits to central Government financial assistance which impede a more speedy clearance of the backlog of dereliction (indeed, until recently underspend was the norm). Rather it appears to be the nature of the planning process. Local authorities and the Welsh and Scottish Development Agencies have only limited facilities to initiate and co-ordinate reclamation programmes, and in any case are hindered by the speed at which land is released for reclamation by the NCB or other agency (the Royal Town Planning Institute and other bodies have drawn attention to this problem in the past).

In addition, although projects involving private sector involvement are encouraged, this participation is at present channeled for the most part through the local authority in receipt of grant-aid.

The costs and benefits of an accelerated reclamation programme are difficult to disentangle from other economic factors. Costs will vary between areas depending on the degree of restoration necessary, the location of individual sites and the range of potential after-uses. To take examples from an area where reclamation projects have been co-ordinated by a specially-formed

team, restoration to agricultural use can vary (after regrading) between £8,000 and £20,000 per hectare in 1983 prices, and to forestry between £6,000 and £20,000. Importing new topsoil can add an extra £15,000 per hectare. Without regrading land can be restored to forestry for between £1,300 and £2,500 per hectare.

Other figures for preparing land for urban development range between £1,800 per hectare if topsoil is not brought in, to nearly £14,000 if topsoil is added (figures in 1980 prices). Welsh Development Agency projects involving the reclamation of former colliery land, including tips, also vary widely. Some projects cost many times per hectare the figures quoted above.

The benefits are equally difficult to estimate. Figures from the Department of the Environment show that since the Government introduced its initiative to encourage private sector participation a number of important projects had been approved. In the two years to 30 November 1983 80 such projects had been approved, involving reclamation costs of almost £40 million and development costs of over £260 million. Some of these schemes involved reclaiming former colliery land for industrial or residential development.

To provide money and/or encouragement for schemes of this kind in areas where uneconomic pits will have to close would offer those areas every prospect of adjusting to the process of industrial change. To close down pits would be appreciated not as butchery, but as precision surgery, combined with practical assistance during recuperation and offering the best hope for a complete recovery.

Note - Some possible options for consideration (amongst others)

- The NCB could act as agent itself. Rather than releasing land to local authorities it could undertake reclamation projects itself using existing labour where possible (presumably in conjunction with contractors'). Finance could be made available either by raising 80% grants currently available to NCB to 100%, or by building an allowance into the NCB's social grant which is specifically for removing uneconomic capacity and providing for redundancy and relocation payments; or a combination of the two.

- Offering private developers 100% grants, instead of 80% now available in selected areas. Priority could be given to projects employing a proportion of local mining labour.

- Simply making more money available to local authorities, assuming that market forces would mop up some surplus labour.

SECRET

P.01372

PRIME MINISTER

MISC 101(84)36th Meeting

You will no doubt wish to divide up the discussion as follows:

- i. Mr Kinnock's request for a recall of Parliament;
- ii. coal;
- iii. docks.

Recall of Parliament

2. Both the Lord Privy Seal and the Chief Whip have been invited specially for this topic, and one or both of them will be present.

Coal

3. After the usual reports (with the Group being particularly interested in the extent of the NUM's special picketing efforts at NCB sites this week, and any further evidence of a return to work) you will probably wish to focus discussion on:

- i. the TUC debate and resolution and their implications for:
  - the NUM's stance in negotiations;
  - deliveries of coal and oil to power stations;
  - financial and other support for the NUM.
- ii. The new round of NCB/NUM talks:
  - although you will wish to pursue this more privately later in the day, the rest of the Group will want to probe:

SECRET

Draft  
letter in  
folder  
(FLAGA)

See NCB  
Press Notice  
attached

2

SECRET

- the starting point for the new round of negotiations;
- the prospects for success on a basis which would be acceptable to the Government.

4. Various remits arising from last week's meeting of MISC 101 are being pursued:

- on stipendiaries there has, as you know, been an announcement;
- on the possible relaxation of planning consents to allow road movement at certain opencast sites, the Minister for Housing and Construction (Mr Gow) wrote to the Attorney General last Thursday;
- on the Clean Air Acts the Department of the Environment is now waiting for the Department of Energy to assess how far a relaxation of the requirements (for which there is a precedent) would in practice help to ease difficulties in the supply of solid fuel for space heating.

#### Docks

5. You will wish to have the latest reports on:

- the number of ports affected (is is reported today that Fleetwood has voted to return to work and that some dockers at Hull have met unofficially and voted to resume working);
- the extent and effectiveness of picketing at working docks (there appear to have been no pickets at Dover and Felixstowe today);
- the prospects for ending the dispute (eg by agreeing on acceptable arrangements for deliveries to Hunterston).

6. The effects of the strike are being monitored closely to assess whether it is likely that a situation will arise in the near future which would justify invoking the Emergency

SECRET



SECRET

Powers Act of 1920. At present it seems unlikely that such a situation will arise. Work is however in hand to develop and improve the existing plans for Service assistance.

FLAGB

7. As you will have seen from the Secretary of State for Defence's minute of 30 August to the Secretary of State for Employment, there appear so far to be no interruptions to the movement of troops and vehicles as part of the NATO exercises BOLD GANNET and LIONHEART.

#### Arrangements

8. A further meeting of MISC 101 has been arranged for noon on Friday 7 September.

9. You will no doubt wish to keep under review with the Secretary of State for Energy whether the daily information report on coal should continue to be circulated. He may consider it no longer necessary now that meetings of MISC 101 have resumed. Many members of the Group may however have found the reports helpful. One possibility would be to continue them for a few weeks more - say until the end of the Recess, on the grounds that Ministerial meetings during this period will be irregular.

*P L*

P L GREGSON

3 September 1984

SECRET



CF  
FILE  
67  
10 DOWNING STREET

From the Private Secretary

3 September, 1984

I enclose a copy of a letter to the Prime Minister from Mr. Francis Bennion.

BK | The Prime Minister has seen this letter, and would be grateful for comments on it ~~by~~ the Attorney General and the Home Secretary.

I am sending a copy of this letter to Nigel Pantling (Home Office), and for information to Michael Reidy (Department of Energy).

(David Barclay)

H. Steel, Esq., CMG OBE  
Attorney General's Office.

AB

# NCB

Public Relations

National Coal Board  
Hobart House, Grosvenor Place  
London SW1X 7AE  
Telephone: 01-235 2020

## MORE MINERS AT WORK

Despite threats of mass picketing by the National Union of Mineworkers, attendance at pits continued to improve today with record numbers of miners reporting for work in the North Derbyshire and Scottish coalfields.

In Scotland the number of working miners passed 200 for the first time with 205 men at work - at every colliery except two.

The 701 men at work in every North Derbyshire Colliery except one were 55 more than the previous highest number.

In the Yorkshire coalfield 33 men reported for work at eight collieries - including Kellingley and Thorne for the first time - and also on the Selby project.

In the Kent coalfield 26 men returned to work at Tilmanstone Colliery for the first time and four men were working at Betteshanger colliery.

Today's attendance is continuing evidence that, despite violence and intimidation on picket lines, miners continue to exercise their right to work.

Press Office (1907)

September 3, 1984.





Tord RTAs  
office

NR 3/19

10 DOWNING STREET

Andrew

MISC 101 tomorrow

S/S Wares can't  
attend, can John  
Stradling Thomas attend  
in his place?

Yes, but  
should come fully briefed  
on recent incidents  
between police & protesters.

Nicky  
3/19

AT

Daily Coal Report - Monday 3 September 1984cc B/O  
PRESS  
OLPit categories

	<u>Number</u>	<u>plus on holiday</u>
Working normally	<u>42</u>	3
Turning some coal	7	2
Some men present	14	-
Not working	105	1

Yorkshire Main colliery in Doncaster area has moved from the not working category to the some men present category as 4 men reported for work there last Friday and today. Otherwise the totals are unchanged.

There was a record attendance at Bilston Glen in Scotland today - 145, 11 up on Friday. There was also a new record again for the total number working in Scotland this morning - 205, up 12. 470 pickets were reported to be present outside pits in Scotland today.

In the North East, 15 men went in at Wearmouth colliery, 3 up on Friday, 1 man worked at the Monkton coal preparation plant as before; Paul Wilkinson did not try to enter Easington colliery as he was pursuing his legal action in Manchester (see below).

A record 33 miners reported for work in Yorkshire this morning, 5 more than last Wednesday. Two pits had men in for the first time during the strike - Kellingley in North Yorkshire (2, 300 pickets) and Thorne in Doncaster area (1). Attendances at other pits were as follows: North Yorkshire - Allerton Bywater (5, up 1), Gascoigne Wood (3, up 1), North Selby (3, down 1); Doncaster area - Yorkshire Main (4), Markham (2, up 1), Brodsworth (1, up 1), Carcroft Park workshops (1); South Yorkshire - Kiverton Park (7), Silverwood (2), Brookhouse (2). The Board reported that around 3,700 were out in Yorkshire today, out of a workforce of 55,000.

Attendances in North Derbyshire improved again this morning. Shirebrook had a record 146 men, 3 up on Friday (350 pickets); Bolsover had 222 (19 up on last Thursday); Warsop had 150 (3 less than last Thursday's record, 150 pickets); and Markham had 14.

Today's most important news on attendances was a sizeable return to work in Kent. A bus load containing 26 men went into Tilmanstone colliery, there was considerable violence with 200 pickets present, 4 men went into Betteshanger.

#### Coal Movements

Coal movements last Friday were an encouraging 132,000 tonnes; 35 coal trains ran. The NCB's provisional estimate for total movements last week is 500,000 tonnes, including 355,000 tonnes for the CEGB (holidays on Monday and Tuesday make this total lower than in recent weeks).

#### Law and Order

A total of 101 miners appeared before magistrates in South Wales today, on charges arising from the weekend occupation of cranes at BSC's Port Talbot harbour. All were charged with criminal damage and trespass and were remanded on bail.

Thirty-one pickets were arrested today after a lorry was stoned and its windscreen smashed as it was driven into a privately owned drift mine at Billinge near Wigan in Lancashire.

#### Fresh talks between the NCB and the NUM

Mr Ian MacGregor confirmed today that further talks were being arranged between the NCB and the NUM to see if an end could be found to the present dispute. He said that it appeared the NUM was taking "a more realistic" approach and made it clear the Coal Board was making no new concessions. The Secretary of State for Energy suggested in an interview on the "World at One" programme that the NUM's new attitude followed pressure by TUC leaders.

Both sides have confirmed that Mr Robert Maxwell, the Chairman of Mirror Group Newspapers, has acted as an intermediary in an attempt to get new talks started. Arthur Scargill has welcomed this initiative, but discounted suggestions of a change in the NUM's attitude.

Mr MacGregor and Mr Scargill have agreed to appear on the BBC's Newsnight programme this evening.

#### NUM motion at the TUC Congress

As expected, the TUC Congress voted by a substantial majority to endorse the General Council-NUM motion which called for "total support" for the miners. The 5 amendments to this motion, which called for a 10p a week levy of all trade unionists, for a day of solidarity action, and for no official NUM picket lines to be crossed, were quietly dropped. It is too early to estimate whether the heart of the motion which demanded the blacking of all coal, coke and substitute oil movements will have any effect. Around 5,000 people arrived in Brighton in support of the miners, instead of the 10,000 plus which had been expected. Very little trouble was reported.

#### Dispute in the docks

The National Associate of Port Employers said that 231 more dockers had reported for work today than on Friday. In total, around 65% by volume of the normal level of traffic was being moved. In ports covered by the Dock Labour Scheme, 3447 men were working and 7610 were on strike. All 3,000 dockers in non-scheme ports continued to work.

The 94 dockers at Fleetwood in Lancashire went back to work this morning after being on strike for a week. After an unofficial mass meeting attended by about half of Hull's 800 dockers, it was claimed that the vote for a return to work had been by around 9 to 1 on a show of hands. Liverpool dockworkers voted by a considerable majority to remain on strike this morning.

Mr Scott Morris, Director of Bristol docks, warned today that the Bristol port complex would have to close for good in two or three weeks time unless the dockers there returned to work. The port - the twelfth largest in Britain - lost over £11 million last year.

Mr John Connolly, the TGWU's National Dock's Officer, said that he had no plans to meet the port employers to discuss ways of ending the strike. He claimed that the dispute had not been called to support the miners, but was over the use of "scab labour".

#### Statements by the Labour Party

In a letter to the Prime Minister today, Mr Kinnoch requested that Parliament be recalled to discuss the present industrial situation. Copies of this letter have been circulated, and the request will be discussed in MISC 101 tomorrow. The media do not expect the Government to accede this request.

Labour Party Chairman Eric Heffer pledged full support for the miners at the TUC Conference in Brighton today. He said: "the Labour Party has conducted a campaign on behalf of and with the miners. We do not apologise for that, because we think it right that the miners should get the full support of every section of our great Labour Movement. Law can be class law and such law therefore is bound to be opposed so that it can be changed."

#### Legal case

Paul Wilkinson, the only miner working at Easington colliery in the North East, was granted an injunction at Manchester High Court this morning ordering the Durham NUM not to deny him any of the rights or privileges of the union. The order restrains the Union's Executive Committee from taking any disciplinary action against him. It also orders the NUM not to intimidate Mr Wilkinson, to carry out only peaceful picketing and not to beset his place of work or his home.

Line to Take

Today was supposed to be Arthur Scargill's great day of picketing, designed to demonstrate the solidarity of the striking miners' cause. As usual, Scargill's efforts have failed. Instead, we have seen yet further attendance records broken - both in Scotland, Yorkshire and Kent.

If the real effect of the events at the TUC Congress in Brighton has been to persuade the NUM's leaders that they must adopt a more reasonable attitude in negotiations with the NCB, then the talks which have just been arranged are warmly to be welcomed. If, in the event, we only see further intransigence from Mr Scargill, striking miners who have already lost £4,200 each as a result of the dispute will know who to blame.

Distribution: Members of MISC 101; Mr Gregson (Cabinet Office)

Enquiries: John Neilson, SOS for Energy's Office, 211 6070.

MR INGHAM

File  
cc Mr Turnbull ✓

GIST OF A STATEMENT ISSUED BY MR MACGREGOR READ OVER THE TELEPHONE BY PETER WALKER (N.B. Not the exact text but Mr Walker's recollection of it)

"Over the weekend I was approached by people representing the TUC and the miners union who informed me that Mr Scargill and the NUM were willing to enter negotiations upon closure of uneconomic pits. I welcomed this decision and I am organising talks at a convenient time with both parties and hope talks will be successful so as to end this strike in the interests of those working in the mining industry."

Mr Walker, not Mr MacGregor, has given an interview to "The World at One".

E E R BUTLER

3 September 1984

MINERS' WIVES  
Back to Work Campaign



Whe  
12/9  
ECU  
Adc 3/9

10 DOWNING STREET

*From the Private Secretary*

3 September 1984

I attach a letter from representatives of the Miners' Wives Back to Work Campaign, requesting a meeting with the Prime Minister.

I would be grateful for advice on the status of the group; whether they have met either Mr MacGregor or your Ministers; and on whether your Secretary of State feels it would be desirable for the Prime Minister to meet them.

Andrew Turnbull

John Neilson Esq  
Department of Energy

ECU



# PRINCIPAL U.K. PORTS 1984

PORTS	No
ABERDEEN	1
ANGLESEY	43
AYR	52
BARRY	38
BLYTH	4
BOSTON	12
BRISTOL	34
CARDIFF	37
CLYDE (& ARDROSSAN)	53
COLCHESTER	20
CROMARTY FIRTH	54
DOVER	23
DUNDEE	2
FALMOUTH	33
FELIXSTOWE	18
FLEETWOOD	47
FOLKESTONE	24
FORTH	3
FOWEY	31
GARSTON	45
GLOUCESTER (& SHARPNESS)	35
GOOLE	9
GREAT YARMOUTH	15
HARWICH	19
HEYSHAM	48
HOLYHEAD	42
HULL	10
IMMINGHAM (& GRIMSBY)	11
INVERNESS	55
IPSWICH	17
KINGS LYNN	14
LIVERPOOL	44
LONDON	21
LOWESTOFT	16
MANCHESTER	46
MEDWAY	22
MILFORD HAVEN	41
NEWHAVEN	25
NEWPORT	36
PAR	32
PLYMOUTH	30
POOLE	29
PORTSMOUTH	27
PORT TALBOT	39
SEAHAM	7
SHOREHAM	26
SOUTHAMPTON	28
STRANRAER	51
SUNDERLAND	6
SWANSEA	40
TEES & HARTLEPOOL	8
TYNE	5
WHITEHAVEN	49
WISBECH	13
WORKINGTON	50

## KEY

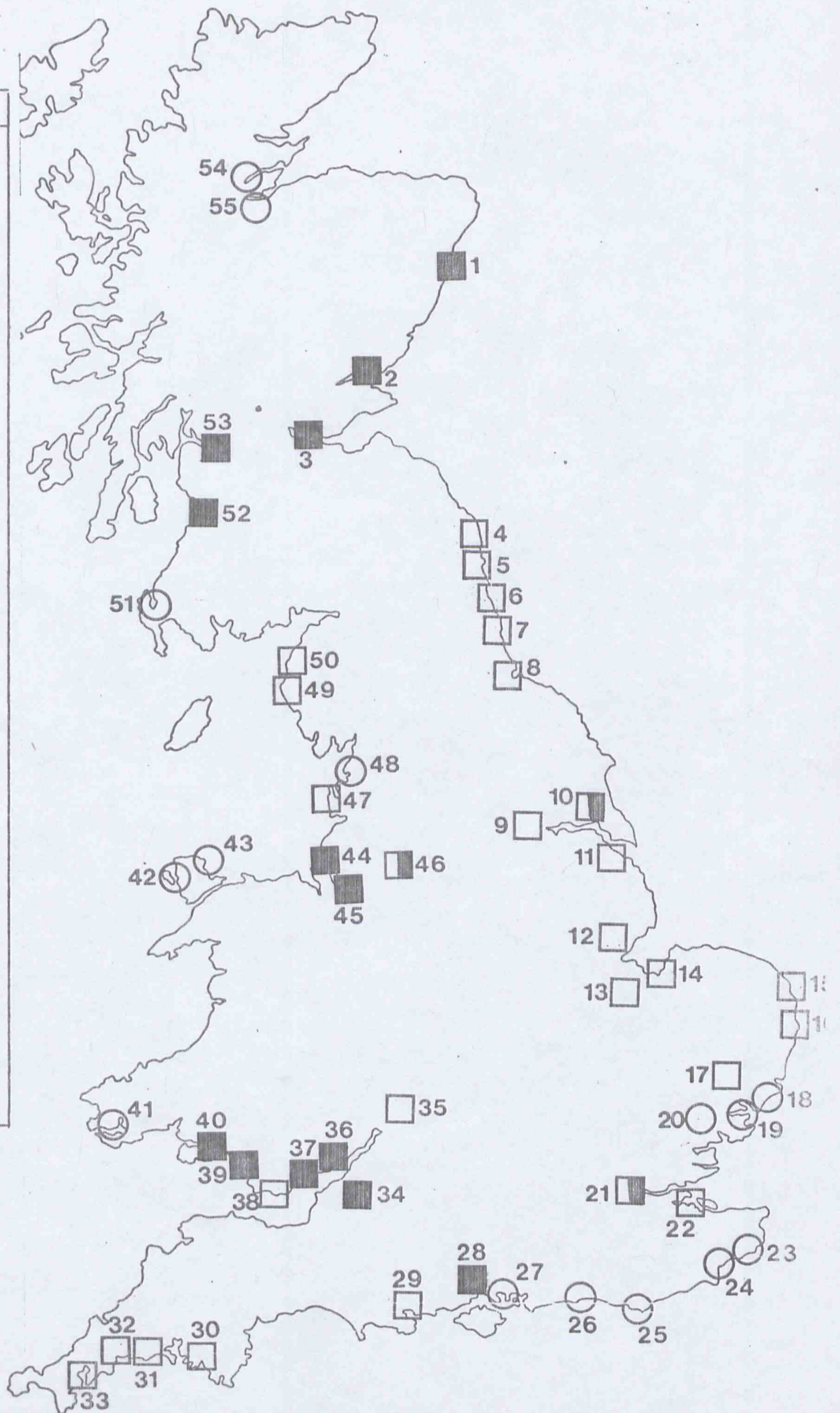
□ - SCHEME PORT

○ - NON-SCHEME

Shading denotes degree of strike action eg

■ all out

◐ partial working



SPEECH BY THE RT HON PETER WALKER MBE MP MADE TO THE NATIONAL  
YOUNG CONSERVATIVES SUMMER SCHOOL IN MANCHESTER ON 2 SEPTEMBER 1984

The TUC is divided - union against union, leaders against rank and file. The NUM is divided - with one third at work, having voted in ballots not to strike, and two-thirds on strike, having been deprived of a ballot and being kept from working by mob picketing. The National Coal Board is losing millions of pounds as coal face after coal face is destroyed by neglect. The country is suffering from violence, loss of production and loss of markets. The simple fact is that there would have been no trouble for the TUC, the NUM, the Coal Board or the country if the NUM had complied with its normal procedures and had held a ballot before the strike took place. The rejection of that procedure has brought division and misery.

The TUC this week has a duty to be the true voice of its members and not the expression of a minority and extremist political viewpoint. Is Brighton going to be another Tilbury? At Tilbury the rank and file trade unionists voted decisively not to strike. In their absence, a small minority of extremists manipulated a strike in order to foster their own extreme political objectives. Is the TUC to do the same? Opinion poll after opinion poll has made it clear that the vast majority of trade unionists want the miners to have a ballot, and do not want to support Mr Scargill with money, with strike action or in any other way. Listen to respected trade union leaders of the calibre of Bill Sirs, Terry Duffy, John Lyons and last year's Chairman of the TUC Frank Chappell - men who have devoted their lives to the trade union movement and who want the TUC to influence governments and improve the living standards of their members. In the last few days they have pleaded with the TUC not to create unemployment and ruin our reviving economy in order to support a man who refuses to ballot his members and whose views have been decisively rejected by the 70,000 miners who have been given the opportunity of a ballot.

I would like to say to delegates at the TUC that this dispute could end this week without a single days work being lost in any

industry. The National Coal Board is willing to offer, and the Government is willing to underwrite, an exciting and rewarding "Plan for Coal" which would cover the coming years. The Plan would involve further massive investment in the industry - investment in new coalfields where high productivity and low-cost coal can be obtained, and also investment in better machinery and new coal faces in many existing collieries. The Plan would include early retirement and voluntary redundancy payments for miners affected by the closure of pits which are no longer beneficial or economic. These payments would mean that every miner wishing to remain in the industry will be able to do so. The Plan would also incorporate a well organised marketing programme - so that strenuous efforts will be made to sell both at home and abroad the cheap coal produced from the massive investment programmes of the past and next decades. We have the opportunity of becoming the most successful and largest coal producer in Western Europe.

The National Coal Board have always been willing to discuss and work out such a Plan. It is time that the NUM ended this totally unnecessary strike and worked creatively, in collaboration with the Board and the Government, to see that the industry has a good future. If, instead of this, the TUC encourage the NUM Executive, under the command of their President, to continue with the use of an army of mob pickets that have already been charged with more than 5,000 criminal offences, and if the TUC encourage the continuation of a conflict which is jeopardising the jobs of their own members in the steel industry, in many other industries and those miners who have voted to go to work in ballots, then they will be taking a course which will certainly damage the prospects of full employment in this country and at the same time damage the success of our whole economy.

ARTICLE BY THE RT HON PETER WALKER MBE MP FOR PUBLICATION IN THE SUNDAY TIMES  
ON 2 SEPTEMBER 1984

Miners and mining communities are to be admired. Miners are men of character with a strong sense of community spirit and a great tradition of loyalty.

I support the miners. 14 years ago as the Secretary of State for the Environment I was horrified at the depressing atmosphere of their poor housing conditions, and at the slag heap dominated environment of many mining communities. I concentrated public expenditure on a massive programme of landscaping and removing the slag heaps, and on modernising the housing in these communities. Three years later as Secretary of State for Trade and Industry I passed the Coal Industry Act, which Joe Gormley, then the miners leader, described as the most beneficial Act for miners since nationalisation. With my present responsibilities for coal, I obtained the support of my Cabinet colleagues for a capital investment programme in the mining industry double that of the whole of the rest of the European Community, for a wage increase which would put miners' earnings way above average industrial earnings, and for the provision of several hundred million pounds so as to guarantee that not one single miner will be faced with compulsory redundancy.

I only wish Mr Scargill had the same enthusiasm as I have for improving both the industry and the prosperity of miners. His enthusiasm is, and always has been, to achieve the creation of a socialist state. He sees life as a class war, in which conflict by workers achieves a Government which will be led by men like him.

When the TUC deliberate next week, they should remember that when Len Murray visited Solidarity the TUC passed resolutions expressing support for Solidarity

and its objective of a free trade union movement in Poland. Mr Scargill alone of Britain's trade union leaders attacked Solidarity, describing the organisation and its leaders as a threat to the socialist state of Poland. Solidarity would like the right to be able to ballot for industrial action. The Polish socialist state, like Mr Scargill, is opposed to such ballots.

It is six months since the attempt was made to call a national miners strike without a national ballot. The attempt failed because a third of Britain's coalfields decided that, in accordance with all past precedents, they would have a ballot prior to taking strike action. The result of the ballot was decisive. 70,000 miners voted and more than two thirds of them voted against strike action.

Next week the TUC needs to consider whether it will support those miners who democratically and by a massive majority decided not to strike, or whether it will support Mr Scargill and his close comrades on the National Executive of the National Union of Mineworkers, who have manoeuvred and plotted so as to deprive the majority of miners the right of a ballot for the first time in more than half a century.

The reason why Mr Scargill deprived miners of the right of a ballot is clear. On three previous occasions the Scargill desire for industrial conflict had been defeated by the miners in a ballot. The result of the ballot of those who were able to express their views on this occasion clearly showed that if Scargill had abided by the normal procedures of the NUM he would have been decisively defeated for the fourth time.

After six months of violent and unsuccessful industrial action we should remind ourselves of the total lack of any reason for this strike.

It is certainly not pay. The Labour spokesman for Energy has categorically stated in Parliament that this is not a dispute about pay. How could it be? Last November, in spite of the enormous losses of the National Coal Board, the Government made available to the NCB the cash needed to see that miners earnings would be increased, so that they would continue to earn 25% above the average industrial wage. A sharp contrast to the Benn years, when during the period that he was Secretary of State for Energy in the last Labour Government, for two successive years there was a substantial fall in miners' real earnings. For the majority of Mr Benn's period in office miners were receiving nothing like 25% above average industrial earnings.

The strike has no justification in terms in any lack of investment or financial support for the industry. This Conservative Government has invested £2 million per day in capital investment in this industry - in cash terms twice as much as its Labour predecessors. The Conservatives have invested £650 million more than was envisaged in Plan for Coal which was agreed to by the National Union of Mineworkers, the NCB and the Labour Government. This has been in the immediate past, but for the future the Government has committed itself to a massive further £3 billion capital investment programme for the industry.

Scargill has pretended that the strike is to save jobs and to stop pit closures. He has said that there is a hit list. There is not. He has made speech after speech suggesting that there are plans to close scores of

collieries and sack 70,000 miners. There are no such plans. Pits have always closed when they are no longer economic. <sup>On average,</sup> Thirty pits a year closed during the last 11 years of Labour Governments. The National Coal Board told the National Union of Mineworkers that there was a need to close the small percentage of existing production which was losing £200-300 million a year, but that this would be accompanied by positive investment in new pits like Asfordby and Selby and by investments in new machines and new coal faces elsewhere. This would enable a low cost, high production industry to emerge which could win markets at home and abroad. The Board presented no hit list of pits but guaranteed that the programme would be discussed at regional level, and that the procedures for examining any uneconomic pit selected for closure would be procedures agreed to between the NUM and the NCB - procedures which had worked well over past Labour and Conservative Governments.

The Government has sometimes been accused of failing to intervene in order to settle this dispute. The Government has intervened on a massive scale to see that there was never a justification for this dispute. They have intervened to finance the good wage offer, and also to guarantee a massive investment programme for an industry that was insolvent. There have been two further interventions of considerable importance. The first involved the provision of several hundred million pounds to ensure that there would not be the need for a single compulsory redundancy in the mining industry. Where a pit was to be closed every miner would be offered a job at another pit, or if he preferred early retirement, this would be taken on terms more generous than are provided in any other industry in this country or in any coal industry in the world. The second intervention was the creation by the National Coal Board of a new enterprise company. This will have funds and skills to help provide finance, advice and encouragement for new enterprises in mining communities.

collieries and sack 70,000 miners. There are no such plans. Pits have always closed when they are no longer economic. <sup>On average,</sup> Thirty pits a year closed during the last 11 years of Labour Governments. The National Coal Board told the National Union of Mineworkers that there was a need to close the small percentage of existing production which was losing £200-300 million a year, but that this would be accompanied by positive investment in new pits like Asfordby and Selby and by investments in new machines and new coal faces elsewhere. This would enable a low cost, high production industry to emerge which could win markets at home and abroad. The Board presented no hit list of pits but guaranteed that the programme would be discussed at regional level, and that the procedures for examining any uneconomic pit selected for closure would be procedures agreed to between the NUM and the NCB - procedures which had worked well over past Labour and Conservative Governments.

The Government has sometimes been accused of failing to intervene in order to settle this dispute. The Government has intervened on a massive scale to see that there was never a justification for this dispute. They have intervened to finance the good wage offer, and also to guarantee a massive investment programme for an industry that was insolvent. There have been two further interventions of considerable importance. The first involved the provision of several hundred million pounds to ensure that there would not be the need for a single compulsory redundancy in the mining industry. Where a pit was to be closed every miner would be offered a job at another pit, or if he preferred early retirement, this would be taken on terms more generous than are provided in any other industry in this country or in any coal industry in the world. The second intervention was the creation by the National Coal Board of a new enterprise company. This will have funds and skills to help provide finance, advice and encouragement for new enterprises in mining communities.



There cannot be a union leader attending the TUC Congress next week who would not rejoice if the employers in his industry offered a good wage increase, a massive investment programme, a guarantee of not a single compulsive redundancy and an early retirement programme of unsurpassed generosity. That is why every delegate at the TUC Congress must recognise that those miners who voted two to one against the strike and those who continue not to work are only kept on strike by unprecedented violence and the efforts of the paid mob. Why, if Scargill has a good case, does he need to use the method of the paid mob? If strikers believe in the strike why can he not rely on six peaceful pickets at each colliery gate - the method of picketing laid down by his own union. A week of peaceful picketing and the great majority of miners would be back at work. They would all be back at work in a day if given the opportunity of a ballot - such is the total lack of grievance by any miner in this country.

From day one of this dispute Scargill believed that mob rule would succeed. It has failed due to the police fulfilling their responsibilities to see that it was the rule of law and not the rule of the mob which prevailed. More than *Over 6,000* 5,800 arrests for criminal <sup>offences</sup> acts have been made, not one of them deplored by Mr Scargill. The paid mob tried to close the collieries that had voted to work. They failed. The paid mob tried to close Ravenscraig, Scunthorpe and Llanwern, and to destroy the steel industry - their second best customer. They failed. Scargill chose Orgreave, a small coke works, to prove the paid mob could succeed. The days he personally led the mob were the days of greatest violence and most interest. But he failed. He tried to close the power stations. He failed. He tried to stop the lorries and the trains. He failed. His only success is the damage he has inflicted on the miners and on the coal industry itself.

Every miner forced by a lack of a ballot or a mob to strike has lost £4,200 in pay - a loss that has plunged many families into debt. Losses that will never be recovered. 15 coal faces have been closed due to the lack of maintenance. Many of these coal faces would have provided jobs for years to come. In addition Polkemmet is seriously flooded. Another 16 coal faces are in serious danger and a further 59 are causing concern. This is the pit closure programme created by Scargill's strike. Closures of economic coal faces, not the closures of uneconomic faces.

The miners have lost customers for their industry on a massive scale. 1984 would have been a year in which hundreds of industrial firms would have converted to coal with the aid of Government grants. Instead many coal burning firms are contemplating turning to gas or electricity.

Large export orders have been lost to the Continent. These are markets which will be impossible to regain after the strike if the Scargill type of rhetoric continues to dominate Britain's coal industry.

The industry will have lost several hundred million pounds of new capital investment scheduled for 1984 - made impossible by the strike. The National Union of Mineworkers has lost millions of pounds of their union funds, not money spent on the wives and children of strikers, but money spent to pay the unsuccessful mob. The impact on the economy has been minimal because we had a billion pound coal mountain stocked at pits and power stations, which had been built up from the surplus production of past years. It is the adverse impact on the miners which has been Scargill's achievement. In the coming weeks the

TUC and the Labour Party have to decide whether they are going to appear as lackeys at Mr Scargill's command, or whether they will support the great majority of miners who given the chance to vote would have overwhelmingly decided not to strike. Scargill has never disguised his desire to achieve his objective of a total socialist state by industrial conflict. I would like his leaflet "The Myth of Workers' Control" to be compulsory reading for all TUC delegates and Labour Party members. This was a leaflet prepared with his American Marxist friend Peggy Kahn. It opposed the demands of the Labour Government and trade union leaders at that time, who wanted to improve employee participation. Mr Scargill vigorously argued that conflict not participation was what was required. He argued that to go for participation within a free enterprise system was to compromise with an unacceptable system - in the way, he argued, that Labour Parliamentarians compromise with a mixed economy when they participate in Parliament.

In order to continue with conflict Mr Scargill has concentrated on one demand, from which he has never deviated. The demand that every pit, no matter how uneconomic, no matter how devoid of any benefit to the industry, should be kept open until all the coal in that pit is exhausted. No Government in British history and no coal industry in the world has ever agreed to such a demand. Stanley Orme has posed as a peace maker. In reality, in spite of his genuine desire to end the strike, he has been unable to persuade Mr Scargill to move an inch from this absurd demand. The reason being that Mr Scargill has no desire to settle, for the terms of a generous settlement were available before Mr Scargill contrived to organise a strike without a ballot. The tragedy for the Labour party is that the influence of Scargill and his friends in block votes, in financial backing for the Labour party, and on the

selection of parliamentary candidates in a host of safe Labour seats, has meant that neither Kinnock, Orme or any of the Labour Shadow Cabinet have uttered a word of criticism for the way he has acted throughout the strike. Thousands of miners who in democratic ballots voted against a strike have received not a word of support from the leaders of the Labour Party. The Labour Party will deserve to be permanently damaged if it continues to allow within itself elements which disobey the law with enthusiasm and endeavour to use union funds to pay mobs to destroy other peoples' jobs. Let the TUC and the Labour Party recall that in 1972, unlike in 1984, the mob at Saltley organised by Mr Scargill did defeat the rule of law. Several years after Saltley Mr Scargill wrote in a left wing magazine about his reflections on this triumph. He wrote "We took the view that we were in a class war. We were fighting a Government. Anyone who thinks otherwise was living in cloud cuckoo land. We had to declare war on them and the only way you could do that was to attack the vulnerable points. They were the points of energy, the power stations, the coke depots, the coal depots, the points of supply and this is what we did. The miners union was not opposed to the distribution of coal, we were only opposed to the distribution of coal to industry because we wished to paralyse the nation's economy. It is as simple as that." It isn't as simple as that. It means that all who support industrial parliamentary democracy must see the mob does not prevail. In February this year Scargill told the miners that there were only eight weeks of coal stocks at power stations. He tried to persuade them that a quick victory was available. It was a lie. Nearly six months later he wrote to other trade union leaders for support, and stated he had inside information that the Government were about to take powers enabling them to introduce power cuts in August. That too was untrue. At the beginning of September we have many months of endurance for

the power stations. It is alas the miners who have suffered from the Scargill simple approach to politics. It is time for the TUC and the Labour Party to show their adherence to industrial and Parliamentary democracy for this is what is at stake in the battle in which we have, alas, so unnecessarily been involved.

ARTICLE BY THE RT HON PETER WALKER MBE MP FOR PUBLICATION IN THE MAIL ON SUNDAY ON 2 SEPTEMBER 1984

It is nearly 30 years since I first stood for Parliament. In that time I have seen both Conservative and Labour Governments suffer under the effect of strike action. Mr Callaghan's Government was in fact destroyed by strikes in the winter of discontent. Many strikes have been disruptive, and many deeply damaging to our prospects of winning orders both at home and abroad. Many have caused great inconvenience to the public. Some of these strikes have been justified, some not. Some have been caused by the political aspirations of trade union leaders and others can be attributed to a lack of union leadership, but many can be put down to bad management. All strikes, however, have helped our competitors throughout the world, and damaged the prosperity of our own country.

In all these 30 years no strike I have witnessed has had less justification, or proved more costly to the men who fought it, than the present dispute in the coal mining industry, which started without reason and without a national ballot six months ago.

The miners have been offered a good pay increase, a guarantee that every one of them who wished to remain in the industry would be certain of a job, and a massive investment programme to ensure a prosperous and successful future for coalmining in this country. Just look at what would have happened if, instead of manipulating a strike without a ballot, Mr Scargill had abided by the National Union of Mineworkers' procedures and called a national ballot. He would have lost, as he lost on the previous three occasions when he called for conflict. It is clear that he would have lost because a third of the men in Britain's coal fields rejected his manoeuvre and held ballots. 70,000 miners voted and more than two-thirds of them voted decisively not to strike.

If there had been no strike those miners who have been forced not to work would each be £4,200 better off. £200m more could have

been invested in the coal industry - investment that has had to be postponed because of the strike. At least 700 firms would have converted from using gas or electricity to burning coal. Instead, industries which used to burn coal are now converting to gas and electricity. Several thousand miners in their 50s would have taken early retirement and each received a large capital sum and an average of £104 per week. This country would be emerging as the dominant provider of coal for Western Europe. We alone have made the commitment to make a further massive £3 billion investment in the coal mining industry. Coal production in Germany is swiftly declining, and the Socialist Government of France has decided to cut its coal mining industry by half.

If the National Union of Mineworkers, with creative leadership, had wished its industry to succeed, it could have drawn up an agreement based on "Plan for Coal" with the National Coal Board. This could have provided Britain and Europe with cheap coke and coal and resulted in coal production rising in Britain instead of falling as in past years. The miners could have improved their own standard of living by claiming their share of the improved productivity which would have been obtained. All of this was available without a strike. This was the option Mr Scargill rejected but which those miners who had the opportunity of voting decisively decided to accept.

The strike option has been crippling to the miners who were not allowed to ballot and who have been kept on strike by mob picketing. The National Union of Mineworkers has not paid strike pay to striking miners and their families. What they have done is paid those who agreed to join the mobs. Mobs have proved to be necessary to prevent miners from returning to work. Future markets have been lost, coal faces destroyed, and substantial wages foregone for ever. Over 6,000 arrests for criminal offences have been made in the course of the dispute. Mining communities have suffered violence and intimidation on an unprecedented scale.

Fortunately for Britain, the police have saved the steel industry and the power stations from the paid mobs. Had they not done so, thousands of trade unionists throughout the country would be

suffering the same unemployment and misery which the two-thirds of miners deprived of the ballot have suffered over the last six months. Fortunately also the surplus production of coal which could not be sold for the cost at which it had been produced meant that Britain possessed a massive coal mountain. Stocks of coal at power stations and collieries have meant that no power cuts have been necessary, and will mean that in this foolish and unjustified strike there will be no power cuts for months and months to come. The miners who were told last February by Mr Scargill and his comrades that there were only 8 weeks coal stocks remaining at power stations must feel very embittered.

Next week is a testing time for the TUC. Are they really going to endorse the tactics of violent picketing and intimidation? Are they going to express themselves in favour of the views imposed on the two-thirds of miners deprived of a vote or are they going to support the third of the miners who democratically and decisively voted against the strike and who have worked every day since? Why should the TUC back miners in Yorkshire deprived of a vote against miners in Lancashire, North Wales, Derbyshire, Leicestershire, Staffordshire, Cumbria, Warwickshire and Nottinghamshire who voted and said they wanted to work. What the TUC should say is that if the National Union of Mineworkers needs TUC support, then it must ensure that picketing is peaceful and in accordance with the best TUC guidelines. The NUM must stop trying to destroy other people's jobs. They must allow the miners of Britain a national ballot to let them make their own decisions. Better still, the TUC should tell Mr Scargill that he has on offer a wage increase, guarantees of no compulsory redundancies, and an investment programme which will provide a marvellous future for his industry, which together are the envy of other unions. They should point out that it is time he and his members co-operated to secure that future instead of conducting a violent conflict which, if continued, can only destroy the prospects now available.



PART 11 ENDS

Energy to TF 31.8.84

PART 12 BEGINS

Article by ss/Energy in the  
"Mail on Sunday" 2.9.84