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SUBJECT



cc Mr. Wolfson  
Mr. Ingham  
Mr. Hoskyns  
Mr. Walters

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10 DOWNING STREET

From the Private Secretary

18 February 1981

Dear Tindal.

As you know, the Prime Minister held a meeting this morning with your Secretary of State, the Secretary of State for Employment, the Chief Secretary, Mr. John Moore, and senior officials to discuss the tripartite meeting on coal arranged for later today.

Mr. Howell said that the decision to hold the meeting today had been a correct one; nonetheless, the militants in the NUM now felt that substantial concessions were going to be available. They were therefore likely to put some blunt questions to him; and in particular, whether the Government were prepared to discuss the issue of imports, whether they were prepared to "rearrange the cash" (ie increase the EFL), and whether they were prepared to re-examine the pace of the closure programme. It was for consideration how far he should go on each of these points. If he were to say that the Government were prepared to discuss each of these issues at subsequent meetings, this would substantially reduce the risk of a national strike starting from next Monday. On the other hand, by indicating that the Government were willing to discuss these issues and especially the closure programme, he would in fact be opening the way to substantive concessions: these were likely to be costly and they would mean going back on the timetable for making the industry efficient and competitive under the plan for coal. He would much prefer not to have to make any substantive concessions at today's meeting; but it had to be recognised that in that case there would still be some residual risk of a national strike.

In discussion the following points were made:

- (i) It was essential to avert a national coal strike. Unless the unions were satisfied at this evening's meeting that the Government and the NCB were prepared to make concessions, a national strike would start as from next Monday.
- (ii) The concession which the NUM would be principally looking for was a willingness to discuss the timing of the closure programme. Unless the NCB were prepared to revise the dates of individual closures, there was a strong prospect that a national strike would go ahead.
- (iii) On the other hand, it was argued that this might be going unnecessarily far. If substantive concessions were made today, the demand for further concessions would escalate

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rapidly. The NCB's original closure proposals were already no longer feasible: to remove the dates from their present plans would all too easily give the impression that closures would never happen. It would be far better for the Government and the NCB at today's meeting to do no more than indicate that they were willing to discuss the various issues.

- (iv) Once the miners were back at work, it would then be possible to bring redundancy payments into play, and the unions might then be willing to accept a revised closure programme.
- (v) If concessions were to be made on the timing of closures, it would be better if the NCB were to put these forward rather than the Government. Even though these would have inevitable implications for the EFL, it would look like less of a surrender by Government if the NCB were to propose a revised plan.
- (vi) There seemed to have been considerable confusion about the facts. Originally, the NCB seemed to have been saying that they were looking for 50-60 closures; now they were proposing 23. It was essential to clear up any misunderstanding on this both at the tripartite meeting and with the public generally.
- (vii) It was also desirable to get over to the unions and to the public the price and unemployment consequences in other industries if the closures did not go ahead. If the NUM National Executive decided on a strike ballot, every effort would have to be made through the media to persuade their members to vote against strike action. On the other hand, it was pointed out that public opinion as such was unlikely to stop a national strike from happening.

Summing up, the Prime Minister said that the basic aim of this evening's and subsequent tripartite meetings must be to avoid a national strike. At this evening's meeting, Mr. Howell should make the minimum concessions necessary to avoid a national stoppage as from Monday: how far he went would be a matter for his own judgement, though he should take into account the points that had been made in discussion. To the extent that concessions had to be made at today's and subsequent meetings, as much of the responsibility as possible for them should be borne by the NCB. As regards attendance at today's meeting, junior Ministers from the Scottish and Welsh Offices should attend, but not the Chief Secretary or the Secretary of State for Employment.

I am sending a copy of this letter to Terry Mathews (Chief Secretary's Office), David Heyhoe (Chancellor of the Duchy's Office), Richard Dykes (Department of Employment) and David Wright (Cabinet Office).

Julian West, Esq.,  
Department of Energy.

*T. Laker*

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