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2 April 1981

MR LANKESTER

cc Mr Whitmore
Mr Wolfson

REGIONALISING THE NCB

1. Of course you are right that it would be extremely difficult to regionalise the NCB. The problem is not just to break up the management side of the industry into several competing units, but to ensure that the union does not remain rock solid as a single national unit, despite these changes.

2. I don't for a moment claim that this could be achieved quickly. But it could be possible if the men in different regions came to see their regional self-interest as diverging from the interests of miners in other regions. I don't think this is impossible, The fact is that the interests of men in one region are different from others'. For example, miners in a profitable and expanding region could earn substantially more if the losses in South Wales could be reduced. (Of course, if we refuse to allow them to earn wages which reflect their high productivity, they will not perceive their self-interest as it really is.) In the long run, there could be smaller numbers of extremely well-paid miners operating very productive pits on a highly capital intensive basis. The truth is that deferring closures in South Wales will slow down these developments.

3. Of course miners don't necessarily see it this way yet. But that could change as the structure of the industry changes and if management makes a determined effort to explain it. This may sound very theoretical but, after all, most industries - eg the car industry - work on the basis that different units compete with one another. There are several pieces of evidence which convince me it would be possible to devise a plan to achieve regionalisation - perhaps over quite a long period of time:
 - (a) The very wide regional variation in the voting pattern during recent ballots. (I attach the last one. The differences are striking.) This suggests the basis for a different perception of self-interest already exists.

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- (b) The much higher cost of striking, now that a large proportion of earnings rests on overtime. (An effective strike in the past has required at least 10 week's overtime ban, followed by a 6-week strike. The overtime ban did not previously involve much sacrifice.)
- (c) The fact that the incentive scheme was successfully introduced a couple of years ago. When it was first rejected - after fierce campaigning by the Left - the conventional wisdom was that it would be impossible to get it accepted. In fact, the "impossible" happened, with embarrassingly successful increases in productivity and reductions in absenteeism.
4. In short, I don't believe regionalisation of the NCB is a non-starter - if it was approached with sufficient determination.

AJ.

ANDREW DUGUID

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LABOUR

Finance union claims 20%

failure of the two unions so far to agree how a national council for technical staff should operate.

The banks will want to come forward with new proposals for national machinery for this group. They are also struggling towards the formulation of national procedure arrangements which can be offered separately to BIFU and the CBU to cover clerical staff in grades 1 to 4.

The lack of such machinery could leave the banks more vulnerable in what might

prove to be difficult negotiations.

The Clearing Banks Union — which operates in three of the five banks, has more members there than BIFU but not in the sensitive areas such as computers—is testing its members on what they would like to see in pay negotiations.

BIFU's claim also includes a rise of almost 24 per cent—to £3,640 yearly—in the minimum entitlement for staff in clerical grades 1 and 2 at the age of 21.

Officials of both BIFU and

the CBU believe that the banks, being very conscious of their image, will attempt to secure a single-figure settlement. In the finance sector, the Refuge Assurance has begun the negotiating round with an 8.5 per cent offer.

The banks' settlements over the past two years, however, have been relatively high. The last settlement, together with London weighting improvements and other features, is thought to have raised their wage bills by 25 to 30 per cent.

Newspapers 'trading at heavy loss' warning

By John Lloyd, Labour Correspondent

THE PRINTING and maintenance unions working for national newspapers were yesterday warned that Fleet Street was in "a parlous state."

The warning, which will be reinforced with a letter to all unions, detailing falling revenues and circulations coupled with steeply rising costs, was a prelude to detailed negotiations over pay levels for next year.

The Newspaper Publishers Association, which represents most national newspapers, has offered a wage increase of 5 per cent coupled with a demand for a disciplinary clause aimed at reducing unofficial disputes.

The unions have made a joint claim for increases to match the rate of inflation, and an extra week's holiday.

In what was seen by both sides as skirmishes, albeit serious ones, before the main pay battle is joined later this month, the employers claimed unequalled poverty while the unions claimed unrivalled unemployment.

Mr. John LePage, the director of the NPA, said that in a letter to be sent to the unions in the next few days, he would explain the reasons why national papers were trading at a heavy loss in the current year (and why it would be "infinitely worse" in 1981).

Mr. Bill Myles, national officer of the Society of Graphical and Allied Trades, the chairman of the union side, told the NPA that the claim for an extra week's holiday was aimed primarily at reducing the level of unemployment in Fleet Street.

expects wage deal

"barely begins to meet our demands for substantial rises in the basic and overtime premium rates... the shipowners are in fact asking us to accept a cut in members' standards of living."

The employers' side has denied the accusation that it is influenced by the Government, and stressed its view that higher wage rises would seriously damage international competitiveness of British shipping.

The ballot will be completed by December 12, and the result is expected to be announced next day. A further ballot confined to members in the UK would be required for any industrial action.

HOW THE MINERS VOTED

| Area | Votes cast | Yes | % | No | % |
|----------------------------|----------------|----------------|-------------|---------------|-------------|
| Yorkshire | 51,109 | 18,107 | 35.4 | 33,002 | 64.6 |
| Nottinghamshire | 28,053 | 21,695 | 77.3 | 6,358 | 22.7 |
| South Wales | 20,922 | 6,860 | 32.8 | 14,062 | 67.2 |
| Colliery Officials & Staff | 16,644 | 14,859 | 88.1 | 1,985 | 11.9 |
| Durham | 13,483 | 8,252 | 61.2 | 5,231 | 38.8 |
| Scotland | 12,825 | 3,468 | 27 | 9,357 | 73 |
| Midlands | 12,268 | 9,454 | 78.7 | 2,614 | 21.3 |
| Derbyshire | 9,791 | 4,180 | 42.7 | 5,611 | 57.3 |
| North West | 6,747 | 4,359 | 64.6 | 2,388 | 35.4 |
| Northumberland | 5,933 | 4,134 | 69.7 | 1,799 | 30.3 |
| Durham Mechanics | 5,446 | 3,857 | 71 | 1,589 | 29 |
| Cokemen | 4,257 | 3,412 | 80 | 845 | 20 |
| Power Group | 4,138 | 3,629 | 86.9 | 509 | 13.1 |
| Scots Enginemn | 4,060 | 1,534 | 37.8 | 2,526 | 62.2 |
| South Derby | 2,836 | 2,436 | 86 | 400 | 14 |
| Leicester | 2,831 | 2,276 | 80.4 | 555 | 19.6 |
| Kent | 2,342 | 953 | 40.7 | 1,389 | 59.3 |
| Northumberland Mechanics | 1,985 | 1,505 | 75.8 | 480 | 24.2 |
| North Wales | 949 | 765 | 80.6 | 184 | 19.4 |
| Cumberland | 751 | 515 | 68.6 | 236 | 31.4 |
| Durham Enginemn | 707 | 519 | 73.4 | 188 | 26.6 |
| Power Group 2 | 577 | 427 | 74 | 150 | 26 |
| Total | 208,694 | 117,196 | 56.0 | 91,498 | 44.0 |

Majority of 25,698 on a turnout of 82%.

Call for Heseltine meeting

THE Trades Union Congress local government committee, whose members represent more than 2m local authority workers, yesterday called on Mr. Michael Heseltine, the Environment Secretary, to meet them before the announcement in two weeks of the new rate support grant settlement. They want to express their concern about the effects on local services of financial cuts.

Mr. Alan Fisher, the committee chairman, said: "The TUC local government committee take great exception to the way local services are being used as a scapegoat for the continued Government's

"In this financial year the total cost of local authority programmes is less — in real terms — than it was in 1974-75. Local authority spending has dropped almost every year for the past six years," said Mr. Fisher. "Compared with the Chancellor's continued mismanagement of the money supply and Government spending, local government is a model."

The committee also added to union protests about the Government's proposed imposition of a 6 per cent limit on public service pay and the "blatant disregard" of long-standing

Tube action has 'minimal' impact

By Our Labour Staff

LONDON TRANSPORT said yesterday that effect on Underground services of unofficial action by train crews on the Jubilee and Bakerloo Lines yesterday was "minimal."

It denied reports that about 400 workers were involved, and said that only some 40 staff, about 20 train crews, took part.

agreement

tion, Mr. John Baldwin, secretary of the craft unions, believes the basic rate must be brought up to at least 80 per cent of total payments to avoid the anarchic and competing bonus rates. These are negotiated locally, and strengthen shop stewards in relation to national union officials.

Mr. Baldwin told a seminar attended by construction industry executives last week that he did not intend to "walk away" from the national agreement. He conceded it would be unlikely