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Amthorist

Details of mine's
provisional settlement
TL

~~cc to high~~

~~to be done~~

01-211-6402

19/11

Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
London SW1

14 November 1980

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See Summary

The agreement reached between the NCB and the NUM yesterday will add 9.7% to the mineworkers' total earnings bill of £1296m.

The Board rested on their earlier proposals for increases in the basic rates and confined the improvements to the productivity incentive scheme. As a result a faceworker earning the present average bonus will get £14.40 per week extra; a surface worker £9.00.

In detail the increases are:-

Basic rates

	<u>Present rate</u>	<u>Increase</u>	<u>New rate</u>
	£	£	£
U1 (top face rate)	101.95	10	<u>111.95</u>
S6 (bottom surface rate)	73.65	7.20	<u>80.85</u>

with proportional increases for other grades.

Bonus for achievement of 100% standard task

Faceworkers £26.50 increased to £30.00

(Other workers get a percentage of this; faceworkers not team members get 65% of the faceworkers' bonus; elsewhere below ground 50%; surface workers 40%).

The NUM were represented by the full National Executive Committee (NEC) who voted 14:11 in favour of acceptance. At their monthly meeting this morning the NEC arranged to hold a ballot of the membership, with

a recommendation to accept, over Wednesday/Thursday 26/27 November. The result should be available about Tuesday 2 December.

The Board and the union have agreed to talk only in cash terms and not percentages but in fact the basic rate increases are equivalent to 9.8% on rates.

The result is much better than we might have hoped for a few week's ago and I think reflects well on the tight financial discipline to which we have been subjecting the Board and our recent strengthening of the Board membership. At the same time a successful outcome is still wholly dependent on the ballot and I would strongly advise my colleagues to say as little as possible on the matter and, above all, in no circumstances to disclose the percentage figures.

I am copying this letter to the Prime Minister and the Secretary of State for Employment.

*Yours
David*

D A R HOWELL