

MR LANKESTER

cc:- Mr Ingham
Mr Duguid

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Armin Amstutz

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See David Howell's
letter below. I think
(on it)
The Venku's comments
are wise. Shall I
write to Energy on
similar lines?

Yes please. I agree
with John Venku

COAL

I have as we agreed talked to Bernard Ingham and to the CPRS
about the proposals in the Department of Energy's letter to you dated
24 June, about a campaign on the costs of the coal industry.

We agree that this must be discreet. We do not want to make it
look as if the Government is squaring up for a fight with the miners. In
fact we want to encourage a climate in which the moderates in the NUM are
able to decide on their pay claim on as unpolitical a basis as possible.
This all points in the direction of avoiding Ministerial exhortation, but
encouraging the dissemination of facts, and especially facts about the costs
of the coal industry and the importance of rational economic decisions.

We do not think that providing a background brief for un-
attributable use by Ministers is the only way of going about it. That
should certainly be done, but it would also be useful to have some questions
asked in the House designed to elicit the relevant facts, which can then
be drawn to the attention of energy correspondents and lobby correspondents
in an unobtrusive way. Bernard Ingham would also be prepared to approach
Lord Robens to see if it could be possible to arrange for him to write an
article for a large circulation paper, which could take the line that
of course there is a useful future for the coal industry, but only if it
becomes more economic.

As for whether it is necessary to wait until after the NUM
conference, we see some advantage in having these facts in circulation
beforehand, so that at least the media is not dominated by the material
coming out of the conference. But it would obviously be necessary to avoid
giving the conference the impression that the Government is attaching too
much importance to its decision, when in fact the pay claim itself will
not be determined until the early autumn.

JM

26 June, 1981

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