

**SUBJECT**



cc- CSO  
CDLO  
EMP  
CO

jfh

bc Mr Wolfson  
Mr Ingham  
Mr Hoskyns

*Mr Dwyer*

10 DOWNING STREET

From the Private Secretary

16 February 1981

*CF 18.2.81 file*

As you know, the Prime Minister held a meeting at 1230 today to discuss the threat of industrial action in the coal industry. In addition to your Secretary of State, the Secretary of State for Employment, the Chancellor of the Duchy, the Chief Secretary and Mr. John Moore were present.

Mr. Howell said that the Government's objective must be to avoid an all-out national strike at minimum cost in terms of concessions to the unions. He proposed to agree to a tripartite meeting as requested by the NCB and the unions; this meeting would be set up next week after the planned discussion in E Committee on 24 February. In the meantime, greater efforts would have to be made by the NCB Board and by the Area Boards to get over the facts. At a national level, the unions were at present making most of the running: more had to be done to show that the proposed closures were relatively modest in relation, for example, to natural wastage and that the Government was committed to a prosperous and efficient coal industry. Unfortunately, the NUM National Executive were not in a rational mood; they appeared to be less interested in the positive aspects of the Plan for coal, and seemed intent on fighting on the issues of the proposed closures, imports and subsidies (which they wanted to be increased to German proportions). The position was made more difficult by the fact that, faced with the unions' apparent intransigence, the NCB Chairman was not taking as robust a line as he had earlier.

In the course of their short discussion, it was argued that the situation was turning sour very quickly. It would be desirable to hold the tripartite meeting as early next week as possible. From the Government's and the NCB's point of view, nothing productive was likely to come out of the meeting; the unions would almost certainly use it for their own purposes - and might even walk out. It was important in the circumstances that there should be a day or two between the meeting and the unions' ballot of their members on Thursday 26 February so that the NCB and the Government would have a chance to state their side of the case. The best tactic might be to consider a series of meetings; but in that case, it would be a mistake for the Government to play its full hand in terms of the concessions it would be prepared to offer at the first meeting. As for publicity, there were a number of positive facts which ought to be got over both to the miners and to the general public, particularly regarding investment

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levels. But for the time being, this should be left to the NCB and the Area Boards, although background briefing could also be usefully provided to the Lobby.

The Prime Minister summed up as follows:

- (i) Mr. Howell should announce this afternoon that he was prepared to hold a tripartite meeting on the afternoon of Monday 23 February. In making the announcement he should take the opportunity of pointing out briefly that there had been some misunderstandings about the future of the industry and that one purpose of the meeting was to dispel those misunderstandings.
- (ii) The Department of Energy should ask the NCB Board - and in particular Sir Derek Ezra, Mr. Cowan and Mr. Siddall - to play a more positive role with the media in setting out the facts of the current situation and the prospects for the industry.
- (iii) The No. 10 Press Office and your Department's Press Office (in consultation with each other) would provide background briefing.
- (iv) Ministers, apart from Mr. Howell's announcement of the tripartite meeting today, would not provide any comment or briefing for the media for the time being.
- (v) Mr. Howell should put a paper to E Committee on Thursday 19 February; and if necessary, his proposals could be considered by a further E meeting on the morning of Monday 23 February.

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

TPL