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MR TURNBULL

COAL: OPERATING COSTS

The information contained in the enclosed lists of 1982/83 financial results on a pit-by-pit basis should be treated with caution:

a. one year's figures are not a good guide to the overall performance of a particular pit. The impact of development work, geology, etc. can easily distort the results.

b. The fact that a pit is shown as a loss-maker does not necessarily mean that it has not got a future. A pit scheduled for closure is normally one which has had a history of losses over a number of years and for which there are no prospects of economic viability.

c. The lists are annotated to indicate which pits have been recently closed. Of the remaining 174 pits, 110 are shown as loss-making (63 per cent by number but representing 49 per cent of output). Operating results do not include a cost of capital, so the general financial position is even worse.

	<u>BY AREA</u>	
	<u>Total number</u>	<u>Number of</u>
	<u>of pits</u>	<u>loss-makers</u>
Scottish Area	8	8
North-east Area	17	13
North Yorkshire	11	7
Doncaster	10	7
Barnsley	16	10
South Yorkshire	16	9
North Derbyshire	10	3
North Notts	14	6
South Notts	11	5
South Midlands	16	10
Western	17	8
South Wales	28	24
TOTAL	174	110

The above list indicates that no pits in Scotland made a profit. This has been the situation since 1980, although it does not necessarily mean that no pits in Scotland have a future.

d. It should be stressed that economic viability does

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not require closures of this magnitude. In order to break even, the coal board will need to shut something in the order of 40 to 50 pits. There is therefore still a long way to go after Ian McGregor's current proposals to shut 20 pits.

e. Although not all of the pits which have recently been closed are the worst offenders, they usually have had a rapidly rising trend in losses or have been amalgamated, for example with a neighbouring pit.

Conclusion

The figures are a good guide to the scale of the problem but should not be used to indicate which pits have or do not have a viable future.

DLP.

David Pascall

11 May 1984

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
SCOTTISH AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
BARONY	173	1.54	43.1	62.8	(19.7)
BILSTON GLEN	856	1.90	40.1	43.1	(3.1)
<i>closed</i> <i>24/4/83</i> - CARDOWAN	267	1.25	34.3	72.2	(37.9)
COMRIE	308	1.81	33.6	47.6	(14.0)
<i>closed</i> <i>28/4/83</i> - HIGHHOUSE	91	1.39	43.8	55.4	(11.6)
KILLOCH	630	1.51	35.6	52.7	(17.1)
LONGANNET	<u>1807</u>	2.89	32.1	32.7	(0.6)
MONKTONHALL	925	2.50	32.6	36.5	(3.9)
POLKEMMET	335	1.17	48.5	65.7	(17.2)
SEAFIELD COMBINE	<u>1070</u>	1.95	38.9	45.7	(6.7)
<i>closed</i> <i>29/4/83</i> - SORN	58	1.38	41.3	55.8	(14.5)

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
NORTH-EAST AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ASHINGTON	288	1.96	34.1	49.0	(14.9)
BATES	799	2.19	31.0	42.1	(11.1)
<i>closed</i> <i>6/4/84</i> - BEARPARK	152	1.86	30.0	41.0	(11.0)
BRENKLEY	314	2.41	34.0	42.1	(8.1)
DAWDON	<u>1161</u>	2.57	40.0	36.3	3.7
EASINGTON	<u>1125</u>	1.97	38.4	50.9	(12.5)
<i>closed</i> <i>29/4/83</i> - EAST HETTON	284	1.56	47.8	58.1	(10.3)
ELLINGTON	<u>1723</u>	3.68	34.5	28.0	6.5
HAWTHORN	1204	1.86	39.3	51.2	(11.9)
HERRINGTON	256	1.50	46.9	61.4	(14.5)
HORDEN	574	1.41	48.1	71.0	(22.9)
LYNEMOUTH	416	1.68	34.5	61.4	(26.9)
SACRISTON	68	1.18	45.9	70.3	(24.4)
SEAHAM	301	2.81	40.2	37.2	3.0
SOUTH HETTON	158	2.68	37.4	37.7	(0.3)
VANE TEMPEST	642	3.04	39.9	36.2	3.7
WEARMOUTH	1008	2.03	47.3	48.8	(1.5)
WESTOE	1331	2.55	37.0	39.7	(2.7)
WHITTLE	334	1.99	37.8	43.8	(6.0)

N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
NORTH YORKSHIRE AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ACKTON HALL	578	2.02	37.3	55.6	(18.4)
ALLERTON BYWATER	894	3.00	32.7	30.7	2.0
FRYSTON	528	2.24	37.1	44.1	(7.0)
GLASSHOUGHTON	286	2.14	34.7	49.5	(14.9)
KELLINGLEY	2155	4.51	36.4	28.6	7.8
LEDSTON LUCK	382	3.67	35.2	27.7	7.5
<i>closed -</i> <i>30/9/83</i> NEWMARKET	371	3.06	34.9	30.7	4.2
NOSTELL	370	3.06	33.5	37.1	(3.6)
PRINCE OF WALES	767	2.73	33.8	48.6	(14.8)
<i>closed -</i> <i>9/12/83</i> ROTHWELL	308	2.28	38.3	47.0	(8.7)
SAVILE	236	2.01	37.3	48.7	(11.5)
SHARLSTON	833	3.33	35.1	31.5	3.6
WHELDALE	435	2.47	37.0	43.4	(6.4)

N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
DONCASTER AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ASKERN	655	2.57	37.8	39.2	(1.4)
BENTLEY	642	2.98	35.2	31.9	3.2
BRODSWORTH	813	1.83	42.1	48.5	(6.4)
FRICKLEY	870	2.36	36.7	39.4	(2.7)
GOLDTHORPE	694	2.91	33.2	34.1	(0.9)
HATFIELD	472	1.57	39.1	56.5	(17.4)
HICKLETON	286	1.45	44.3	65.2	(20.9)
MARKHAM	854	2.77	39.9	35.2	4.7
ROSSINGTON	772	2.35	38.0	39.4	(1.3)
YORKSHIRE MAIN	722	2.34	43.1	37.5	5.7

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
BARNSELY AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
BARROW	488	1.68	43.0	56.0	(13.0)
BULLCLIFFE WOOD	175	2.67	37.4	61.9	(24.5)
DARFIELD MAIN	248	1.53	38.6	59.0	(20.4)
DEARNE VALLEY	261	3.18	36.8	36.4	0.4
DENBY GRANGE/ CAPHOUSE	453	4.39	40.7	30.7	10.0
DODWORTH	694	2.96	36.7	32.2	4.5
EMLEY MOOR	91	1.45	46.1	67.7	(21.6)
FERRYMOOR RIDDINGS	364	2.81	35.1	43.4	(8.3)
GRIMETHORPE	1070	2.83	39.3	33.8	5.5
HOUGHTON MAIN	1043	3.00	35.6	34.6	1.0
KINSLEY	551	5.58	30.7	26.9	3.8
NORTH GAWBER	408	2.49	37.9	38.0	(0.1)
PARK MILL	198	2.84	39.5	46.7	(7.2)
ROYSTON	413	3.51	31.0	36.5	(5.5)
SOUTH KIRKBY	931	2.91	35.4	37.8	(2.4)
WOOLLEY	742	1.97	40.2	46.3	(6.0)

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
SOUTH-YORKSHIRE AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
BARNBURGH	595	3.21	35.9	32.9	3.1
BROOKHOUSE	207	1.42	42.1	65.4	(23.3)
CADEBY	322	1.60	37.5	57.8	(20.3)
CORTONWOOD	281	1.54	43.7	57.5	(13.8)
DINNINGTON	207	1.11	45.6	80.7	(35.1)
<i>closed -</i> <i>28/10/83</i> ELSECAR	242	1.86	36.1	53.5	(17.4)
KILNHURST	156	1.62	41.3	56.6	(15.2)
KIVETON PARK	452	2.94	34.7	34.6	0.0
MALTBY	743	2.64	38.2	37.4	0.8
MANTON	779	3.28	38.4	31.7	6.6
MANVERS	347	1.42	40.8	66.6	(25.8)
SHIREOAKS	573	4.23	35.7	26.6	9.2
SILVERWOOD	1078	3.31	46.3	31.3	15.1
STEETLEY	266	3.34	31.8	26.1	5.6
THURCROFT	389	2.19	44.5	46.8	(2.3)
TREETON	313	1.86	41.6	46.4	(4.7)
WATH	379	2.32	40.0	41.5	(1.5)

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
NORTH DERBYSHIRE AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ARKWRIGHT	583	2.83	38.2	39.3	(1.1)
BOLSOVER	662	3.17	41.4	35.2	6.2
HIGHMOOR	621	5.44	30.2	24.9	5.3
IRELAND	575	3.74	35.7	33.2	2.5
MARKHAM	1503	3.03	36.8	34.9	1.9
PLEASLEY	446	3.44	27.5	36.6	(9.1)
RENISHAW PARK	406	3.44	34.9	34.1	0.8
SHIREBROOK	1577	3.88	35.5	31.1	4.4
WARSOP	742	2.63	38.4	46.4	(8.0)
closed - 10/2/84 WESTTHORPE	377	2.67	27.4	38.6	(11.2)
WHITWELL	550	3.05	37.0	36.6	0.4

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
NORTH NOTTINGHAMSHIRE AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
BEVERCOTES	876	2.85	36.9	38.3	(1.5)
BILSTHORPE	1012	3.50	35.3	29.2	6.1
BLIDWORTH	460	1.95	42.5	52.8	(10.3)
CLIPSTONE	782	2.46	44.6	41.4	3.2
CRESWELL	671	2.83	35.5	34.2	1.3
HARWORTH	866	3.55	36.7	30.6	6.1
MANSFIELD	930	2.80	42.8	46.4	(3.6)
OLLERTON	1045	4.56	37.3	25.1	12.2
RUFFORD	793	2.40	44.3	41.1	3.2
SHERWOOD	901	3.99	35.7	38.2	(2.5)
SILVERHILL	700	2.57	36.2	40.4	(4.2)
SUTTON	450	2.58	35.1	55.8	(20.7)
THORESBY	1801	5.55	36.8	23.5	13.3
WELBECK	1075	4.01	35.5	26.3	9.2

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N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
SOUTH NOTTINGHAMSHIRE AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ANNESLEY	694	2.55	35.9	34.5	1.3
BABBINGTON	643	2.85	32.5	42.9	(10.5)
BENTINCK	931	2.90	35.6	42.0	(6.4)
CALVERTON	731	2.22	41.3	41.2	0.2
COTGRAVE	1239	3.36	33.0	28.3	4.7
GEDLING	745	2.30	40.9	39.8	1.2
HUCKNALL	599	2.47	32.6	47.0	(14.4)
LINBY	536	2.33	40.9	48.6	(7.8)
MOORGREEN	674	2.84	35.3	34.8	0.5
NEWSTEAD	623	2.25	33.4	44.2	(10.9)
PYE HILL	840	3.64	35.1	29.0	6.1

N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
SOUTH-MIDLANDS AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)	
BADDESLEY	650	2.85	32.8	31.5	1.3	
BAGWORTH	916	5.08	32.5	24.6	7.9	
BETTESHANGER	404	1.69	40.2	54.5	(14.3)	Kent
BIRCH COPPICE	529	2.43	31.4	38.0	(6.6)	
CADLEY HILL	399	2.10	32.1	41.9	(9.9)	
COVENTRY	807	2.73	37.0	36.8	0.2	
DAW HILL	1100	3.92	40.2	28.5	11.7	
<i>closed</i> <i>11/1/84</i> - DESFORD	273	1.76	29.0	57.9	(29.0)	
DONISTHORPE	613	2.77	35.0	33.4	1.6	
ELLISTOWN	379	3.02	32.4	33.8	(1.4)	
MEASHAM	235	2.20	32.2	45.8	(13.6)	
RAWDON	700	2.79	34.6	32.0	2.6	
SNIBSTON	215	1.82	31.6	52.9	(21.2)	
SNOWDOWN	101	0.57	49.4	135.9	(86.5)	Kent
SOUTH LEICESTER	180	2.12	30.6	48.6	(18.0)	
TILMANSTONE	196	1.07	48.9	87.8	(38.9)	
WHITWICK	475	2.67	31.8	35.6	(3.9)	

N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
WESTERN AREA

closed
2/3/84

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
AGECROFT	432	2.32	37.0	43.3	(6.3)
BERSHAM	285	2.48	43.0	46.3	(3.3)
BICKERSHAW	401	2.32	40.6	43.1	(2.5)
BOLD	507	1.90	41.3	55.9	(14.6)
CRONTON	260	2.19	39.6	42.5	(2.9)
FLORENCE	902	3.21	39.1	35.1	4.0
GOLBORNE	518	3.04	40.0	36.7	3.3
HAIG	306	1.78	47.2	55.0	(7.8)
HEM HEATH	1132	2.96	38.3	37.7	0.6
HOLDITCH	333	2.26	48.2	47.4	0.8
LEA HALL	1396	3.12	36.6	33.1	3.5
LITTLETON	965	2.44	38.3	40.4	(2.1)
PARKSIDE	850	2.41	45.4	42.3	3.1
PARSONAGE	324	3.16	40.4	34.1	6.3
POINT OF AYR	460	3.16	38.6	31.5	7.1
SILVERDALE	529	3.50	37.7	31.6	6.1
SUTTON MANOR	384	2.20	39.7	49.0	(9.3)
WOLSTANTON	447	1.83	49.7	55.3	(5.6)

N.C.B. DEEP-MINES
COLLIERY FINANCIAL RESULTS - 1982/83
SOUTH-WALES AREA

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
ABERNANT	128	0.79	56.2	111.8	(55.6)
ABERPERGWM	82	1.37	55.6	68.8	(13.2)
ABERTILLERY	83	0.79	45.9	109.0	(63.1)
BEDWAS	179	1.42	44.3	64.5	(20.2)
BETWS	548	4.17	57.6	47.0	10.6
BLAENANT	437	3.17	23.9	31.9	(8.1)
<i>closed</i> <i>8/7/83</i> - BLAENGWRACH	55	1.21	54.3	75.1	(20.8)
BLAENSERCHAN	114	1.27	45.9	71.2	(25.3)
<i>closed</i> <i>8/12/83</i> - BRITANNIA	209	2.35	37.9	40.3	(2.4)
<i>closed</i> <i>5/9/83</i> - BRYNLLIW	122	0.92	48.5	107.5	(59.1)
CELYNEN NORTH	138	1.17	45.6	83.2	(37.5)
CELYNEN SOUTH	114	1.19	45.9	76.0	(30.1)
CWM/COEDEL	540	2.16	47.1	47.6	(0.5)
CYNHEIDRE	206	1.02	64.6	88.6	(24.0)
DEEP NAVIGATION	347	2.26	45.4	41.7	3.7
GARW/FFALDAU	139	0.96	41.8	96.3	(54.5)
LADY WINDSOR	446	1.97	42.6	48.1	(5.4)
MARDY	161	1.02	55.5	82.7	(27.2)
MARINE	328	2.40	45.2	42.2	3.1
MARKHAM	178	1.46	45.8	66.1	(20.3)
MERTHYR VALE	251	1.76	45.0	56.5	(11.5)
NANTGARW	159	1.32	47.1	84.4	(37.3)
OAKDALE	178	0.97	46.1	96.3	(50.2)
PENALLTA	221	1.74	42.5	49.4	(6.9)

N.C.B. DEEP-MINES
 COLLIERY FINANCIAL RESULTS - 1982/83
 SOUTH-WALES AREA (continued)

COLLIERY	SALEABLE OUTPUT ('000 TNES)	OVERALL OMS (TNES)	NET PROCEEDS (£/TNE)	OPERATING COST (£/TNE)	OPERATING SURPLUS/(LOSS) (£/TNE)
PENRIKYBER	129	0.99	49.4	83.0	(33.5)
SIX BELLS	166	1.87	44.7	55.7	(11.0)
ST. JOHNS	212	1.24	42.5	68.2	(25.7)
TAFF MERTHYR	444	3.13	38.6	34.0	4.6
TOWER	64	0.47	57.9	170.6	(112.7)
TREFORGAN	7	0.11	58.9	908.3	(849.4)
TRELEWIS	225	3.07	30.5	45.1	(14.6)
closed 17/6/83 → TYMAWR	106	0.99	47.4	83.3	(35.9)
closed 7/1/84 → WYNDHAM/WESTERN	99	0.75	43.9	112.3	(68.3)

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