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MISC 101(84) 16th Meeting

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CABINET

MINISTERIAL GROUP ON COAL

MINUTES of a Meeting held at
10 Downing Street on
MONDAY 21 MAY 1984 at 4.00 pm

PRESENT

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon Leon Brittan QC MP
Secretary of State for the
Home Department

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

The Rt Hon Peter Walker MP
Secretary of State for Energy

The Rt Hon Michael Heseltine MP
Secretary of State for Defence

The Rt Hon Norman Tebbit MP
Secretary of State for Trade and
Industry

The Rt Hon Tom King MP
Secretary of State for Employment

The Rt Hon Sir Michael Havers QC MP
Attorney General

The Rt Hon Lord Gray of Contin
Minister of State, Scottish Office

Mr David Mitchell
Parliamentary Under-Secretary
of State, Department of Transport

SECRETARIAT

Mr P L Gregson
Brigadier J A J Budd
Mr J F Stoker

SUBJECT

INDUSTRIAL ACTION IN THE COAL INDUSTRY

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INDUSTRIAL ACTION IN THE COAL INDUSTRY

The Group considered a number of oral reports.

THE SECRETARY OF STATE FOR ENERGY said that both deliveries and attendance during the previous week had been the best since the strike began. Nearly 700,000 tonnes of coal had been delivered, about 450,000 of them to power stations. There had been virtually no shortfall in deliveries to industrial consumers. Attendance for that day was higher overall than at the same time in the previous week. Small numbers of miners had attempted to go back to work that morning at two pits in North Derbyshire and one in South Wales: four had gone into one of the Derbyshire pits and six into the other. The net effect of recent developments was that the same number of pits continued to work normally, the same number continued in partial production and the number where some men were attending had increased by two.

Mr Scargill had announced that afternoon that the National Coal Board (NCB) had cancelled a meeting which had been arranged for the following day between himself and Mr MacGregor through one of the smaller mining unions acting as an intermediary. The true reason for the cancellation was Mr Scargill's insistence that, as a pre-condition, all planned closures should be abandoned. Mr MacGregor was currently meeting the Opposition spokesman on Energy (the Rt Hon Stan Orme MP) but would be holding a press conference afterwards to put the record straight on the reason for the cancellation.

A problem had arisen because some miners who had volunteered for redundancy were receiving the capital sums due to them, but not the income support that they would normally receive in addition. This could not legally be paid while the miners concerned were on strike. To maintain good faith on the part of the Government and NCB, it was necessary to give an assurance that the necessary action, including legislative action if necessary, would be taken to ensure that the miners concerned would eventually receive their full entitlement under the code.

The signs that morning of a desire to return to work, though very limited, were encouraging when taken together with the low rate of attrition on coal supplies, the continuing flow of deliveries from working pits and from imports and indications in recent speeches by Opposition spokesmen of weakening in Opposition support for the strikers' case.

THE HOME SECRETARY said that the police had been able to ensure that the small numbers of miners who wished to return to the two Derbyshire collieries referred to by the Secretary for Energy had been able to do so. This had not been possible, however, at the Welsh colliery concerned, where a lack of prior knowledge of the intentions of the men concerned had prevented the deployment of the police resources necessary to ensure that they could get in. More generally, the special measures taken by the police to counter intimidation had received wide publicity and had been well received.

It had just been reported that Mr Malcolm Pitt, Kent President of the National Union of Mineworkers (NUM), had been remanded in custody for nine days following a breach of his previous bail conditions.

THE SECRETARY OF STATE FOR EMPLOYMENT said that the application by members of the Nottinghamshire NUM for an injunction against the declaration of the strike as official by the national and county leadership of the union was due to be heard on the following day. Their chances of success were uncertain. The General Council of the Trades Union Congress was to meet on 23 May, when it was likely that the question of support for the miners would be discussed.

THE SECRETARY OF STATE FOR TRADE AND INDUSTRY said that some problems had been reported over supplies of coke for foundries and some industrial users of coal were reported to be incurring increased costs because of a switch to imports or to alternative fuels. There were no major difficulties, however. Although production by the British Steel Corporation in the previous week had been 90 per cent of the average for a week in the first quarter, some difficulties were in prospect particularly over the blend of coal required for Scunthorpe and Llanwern. It was likely that satisfactory arrangements for supplies could be negotiated in the case of Llanwern, but there could be difficulties in doing so in the case of Scunthorpe.

THE PARLIAMENTARY UNDER-SECRETARY OF STATE, DEPARTMENT OF TRANSPORT said that, for the first time in the dispute, more than 300 principal coal trains had run during the last week. In addition, 360,000 tonnes of coal had been moved by road. 45 principal coal trains were expected to run that day, a high figure for a Monday during the strike. A meeting was taking place that afternoon between the British Rail Board and union negotiators on pay: the Chairman of the Board, Mr Reid, was hopeful that a deal could be struck, but the outcome was far from certain.

In discussion, the following were the main points made -

- a. Care should continue to be taken to maintain the flow of coal from all sources, including imports. Scope for the expansion of imports was limited, however, by their sensitivity in industrial relations terms, by the limited handling facilities which existed at the docks and by the concentration of such facilities at major ports where both visibility and vulnerability to sympathetic action were high.
- b. An effective tactic of Mr Scargill's had been to mount a sustained attack alleging indifference on the part of the NCB to the destruction of jobs which would result from closure proposals. Many schemes were in operation which would help redundant miners to find new work. It would be to the advantage of the Board to give more public prominence to this information.
- c. The income support to redundant miners referred to by the Secretary of State for Energy took the form of a supplement to the unemployment benefit which the redundant person would normally receive but which was not payable while he was on strike. It should be made clear that any undertaking given in respect of this income support did not apply to the amounts which would normally be received as unemployment benefit, payment of which to strikers would not be justified either on legal or on policy grounds.

THE PRIME MINISTER, summing up the discussion, said that, to the extent that changes in the situation were occurring, they continued to work against the interests of the strikers. Although this was encouraging, there was still

no sign of any major failure of support for the strike. Efforts should therefore continue to be made to deliver as much coal as possible from all sources, particularly to power stations; and if possible to reduce the rate at which coal was being consumed there still further. It was necessary to find a solution to the problem raised by the Secretary of State for Energy concerning payments to redundant miners in a way which maintained the good faith both of the NCB and the Government, but which did not compromise the principle that unemployment benefit or sums in lieu should not be payable to those on strike. The Secretary of State for Energy should agree with the Chancellor of the Exchequer how this difficulty should be solved and report to the Group.

The Group -

1. Took note, with approval, of the Prime Minister's summing up of their discussion.
2. Invited the Secretary of State for Energy to agree with the Chancellor of the Exchequer and report to the Group a means of overcoming difficulties which had arisen over the payment of income support to redundant miners while retaining consistency with the principle referred to by the Prime Minister in her summing up.

Cabinet Office

22 May 1984