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PRIME MINISTER

Coal: MISC 101(84)23rd Meeting

After the usual reports you will probably wish to concentrate on three issues:

- i. British Steel Corporation (BSC);
- ii. coal movements to power stations;
- iii. getting the miners back to work.

BSC

2. I understand that, following his talk with the Chairmen of the NCB, BR and the CEGB, Mr Haslam has concluded that the BSC should not seek an injunction for the time being, although he would obviously want to reconsider the position if the BSC found itself unable to maintain adequate supplies of ore and coal to any of the major steelworks. The key issue is therefore whether the lorry convoys into Llanwern and Ravenscraig will succeed. I understand that 50 truckloads of ore got through to Llanwern this morning. The aim is to have a fleet of 100-150 lorries doing two runs a day between Port Talbot and Llanwern. This should ensure supplies of over 20,000 tonnes a week, enough to maintain production at one blast furnace and keep the other banked. There will also be a smaller convoy operation for coal and coke. Similar operations have so far been successful at Ravenscraig where some of the logistical problems are less. If BSC succeed over ore and coal, there is the possibility that the rail unions might attempt to stop rail deliveries of steel products, and it is thought that BSC are not confident that they could circumvent that.

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Coal movements to power stations

3. Although Mr Walker told the Cabinet on Thursday that rail deliveries of coal to power stations were beginning to pick up again, this is not yet borne out by the figures. We understand from the Department of Transport that the number of coal trains to power stations in the first half of last week were:

Monday 25 June	<u>23</u>
Tuesday 26 June	<u>33</u>
Wednesday 27 June	<u>31</u>

In normal weeks during May the weekly number of coal trains to power stations was around 250. It certainly appears to be the case that road deliveries to power stations are being increased so as to maintain the level of overall deliveries; but the prospects for rail deliveries, on present evidence, do not look encouraging.

Getting the miners back to work

4. You will want to enquire about the latest developments on the NCB's advertising campaign and the letters from colliery managers.

Next meeting

5. A meeting of MISC 101 has been provisionally arranged for Wednesday 4 July at 12.00 noon if you think it is needed. *Yes* Otherwise the next discussion will be under the Industrial Affairs item at the Cabinet on Thursday 5 July.

*PLG*  
P L GREGSON

29 June 1984

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