



SECRET AND PERSONAL

Copy no 1 of 2 25/7

7c

JU886

PRIME MINISTER

MINERS' DISPUTE

I am much concerned about the miners' dispute. I need not stress the importance of our both winning in practice, and being seen to win: our supporters expect it of us, and, as important, the outcome will undoubtedly be seen as a signal with long-term implications for relations with organised labour.

2 My concern is quite simply that, on our present course, I do not see that time is on our side. I do not have detailed figures of the stocks available, and the best information made available to date is that set out in the paper attached to Peter Gregson's minute of 4 July to Andrew Turnbull. This showed that, on the recent average rate of coal deliveries to CEGB power stations, endurance extends until mid-January. This is also the public perception (based, for example, on the recent Phillips & Drew report). In practice, of course, we could not go right up to the brink, but would have to take measures sometime well in advance. On present trends, therefore, it will become clear sometime in the Autumn to miners on strike that the end of the dispute is approaching, and they will be fortified in their resolve. My own guess is that we may come to that point as early as October.

3 Faced with this, I believe we need to look at a number of options, which we have not hitherto considered collectively. We need to consider what is the prospect for endurance on the

SECRET & PERSONAL



SECRET & PERSONAL

basis of present policies and access to existing pithead stocks, both in the pits which are at present open, and also in pits at present closed. This was, of course, covered to some extent in the paper attached to the Peter Gregson minute. Second, I should like to go beyond this to consider what can be done to extend endurance through increased access to imports. I am not clear about the physical constraints in terms of port capacity which limit our import of coal and coke, and the extent to which these constraints can be relaxed. It would be useful to know, for example, whether the constraints are in terms of port handling equipment (and if so what can be done about this); whether the transport exists within this country to move coal and coke from the ports to power stations and industrial users; and, if this were to happen, the effect of likely picketing on our police resources. Central to these questions is not the position of the miners, except insofar as their likely response has implications for police resources and the practicality of different methods of transport, but rather that of the transport unions. I am much concerned that the NUR and ASLEF actions which are so reducing the transport of coal and coke to the power stations are being carried out at very little cost to the unions, and at no cost to the individuals taking this action. If we are to extend our endurance, as I believe we must, the transport of coal, rather than the provision of new supplies from within this country, becomes the central issue.

SECRET & PERSONAL



SECRET & PERSONAL

4 There is a further sort of question which I should like to see examined. This is what further pressure can be exerted on both the NUM and other unions. Should we, for example, be considering announcing closures of particular mines as a demonstration of our resolve, or would this, without full consultations, adversely effect the existing working areas? How can we bring the NUR and ASLEF to bear the costs of their damaging actions? Should we again be considering injunctions, possibly only against the transport unions? What do we know about the finances of the NUM (Eric Varley, with whom John Wakeham and I had a discussion last night, suggested that the NUM might be in a position where it would find resistance to an injunction difficult and debilitating)?

5 As you know, I have found it difficult to get these sorts of question raised in MISC 101. I believe, nevertheless, that they are critical. I should very much like to suggest to you that the factual questions which I have dealt with in para 3 above should be tackled, along with a detailed account of what is actually happening in the "drift back to work", by the Cabinet Office, under Peter Gregson's chairmanship; and that you should convene, as soon as we have the results of that analysis, a meeting of a small group of Ministers to discuss the options which we have. I have no wish to rock the boat, and believe it essential that we should continue to present our existing public face. But it is

SECRET & PERSONAL

Copy no 1 of 2



SECRET & PERSONAL

just as important that we should be utterly realistic among ourselves about what is actually going to happen.

6 For obvious reasons, I have retained only one copy of this minute. Please will you make sure that no copies are taken within No 10.

NT
N T

25 July 1984

Department of Trade & Industry

SECRET & PERSONAL

SECRET

9
7B

PRIME MINISTER

COAL DISPUTE

Having encountered difficulty in engaging Mr. Walker in open discussion, Mr. Tebbit is seeking, by more tangential means, reassurance that facts are being gathered and options studied in a number of areas:-

- (i) power station endurance.
- (ii) transport of coal and coke.
- (iii) redundancies and closures.
- (iv) civil action.
- (v) the extent of the drift back to work.

He suggests that Peter Gregson be commissioned to establish the facts on (i), (ii) and (v), which should then be reported to one more meeting of a smaller group of Ministers before people disperse. You will be discussing endurance tonight, but further work could be undertaken on the other items.

Agree I set up a meeting of the inner group of MISC 101 either ✓ for the end of next week or the beginning of the week after before you depart?

25 July, 1984

SECRET