SECRET

1. Mr. Twombuch - to see. 2. Pl- file

P.01360

MR BUTLER

COAL STRIKE: WAYS OF PROLONGING ENDURANCE

I assume that the Prime Minister will not now be looking for further substantial comments from me on items i.-iv. in your minute of 20 July in the light of last night's talk with Sir Walter Marshall.

As he demonstrated, items i. and ii. are well in hand. On item iv., as I explained before and he confirmed, diesel standby generators can only be used for short periods; the contribution from private steam generating capacity can only be marginal (perhaps one week) and there are tactical and cost disadvantages. However, Sir Walter said that he was looking into what might be done in a low key way at 46 installations, if need be. On item iii., Sir Walter's reaction was that no worthwhile contribution was likely from that source and that is my impression also from earlier assessments by the Department of Energy and CEGB; however, I am sure that Sir Walter will, in the light of the Prime Minister's comments about it, satisfy himself that nothing can usefully be done in this direction.

P L GREGSON

26 July 1984