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mb

From the Private Secretary

Prime Minister ①

Attached is the NCB Press Notice. On balance we are better off not having the NCB's formula accepted, though it is no worse than any of the five that went before it.

In his radio presentation to MacGregor stressed his readiness to brief the TUC on the course of the negotiations.

The Chancellor dislikes the warding of the Department's line to take an investment. I have spoken to Mr Walker's office to urge more caution, with greater emphasis on the record and less on future commitments. The NCB's warding is better, using the 1984-85 figure as an illustration.

Thames on mb

^{ensue}
This ~~means that~~ there will closures of capacity where the
high cost of production ~~means that~~ ⁱⁿ the collieries concerned
~~bring~~ have no benefit to the industry in its objective of obtaining
low cost production.

With the agreement that such pits should be closed it
is anticipated that the change in capacity envisaged in
our proposals of 6 March will now not be completed in this
financial year but will be achieved over ^{probably} the coming
12 months.

The NCB and the NUM have examined the current situation in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On 6 March the NCB put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individuals areas.

2. The following collieries referred to specifically by the NUM namely (a) Polmize (b) Herrington (c) Corton Wood (d) Bullcliffe Wood and (e) Snowdown will continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under Section 3 below.

3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply;

(a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties ie safety again in line with the principles of the Plan for Coal will be closed by joint agreement.

(c) The NCB and the NUM agree that where a comprehensive and in depth investigation by their respective mining engineers shows that a colliery has no further mineable

reserves that are workable and which can be beneficially developed such a colliery shall be deemed exhausted.

4. On the basis of the above arrangements the NCB and the unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing the developing and expanding coal industry equipped to meet future energy requirements.

Concessions by NCB in talks

BY PHILIP BASSETT, LABOUR CORRESPONDENT

DRAFT agreements on pit closures put forward by each side in secret talks between the National Coal Board and the National Union of Mineworkers show significant concessions by the NCB—but also differences between the two parties which will require hard negotiating to resolve.

Texts of the agreements, released last night and published below, show how constructive has been the latest round of talks, compared to previous often bitter exchanges in earlier negotiations.

The board agrees that its proposals of March 6, calling for 4m tonnes less capacity in the industry, implying a loss of 20 pits and 20,000 jobs, will be revised, to take account of different market conditions and the loss of output from the strikes.

The NCB has agreed to reconsider pits, including Cortonwood in Yorkshire and Polmaise in Scotland which it said would close.

These are significant concessions, which for its part, on the evidence of the texts, the NUM has not yet matched. Mr Ned Smith, the NCB's industrial relations director, said last night the differences between the two sides are more than semantic—but even the NCB's wording on the definition of an

uneconomic pit allows the NUM considerable scope for argument at local level.

There are three main differences between the proposed agreements:

● The NUM wants the NCB to "withdraw" the March 9 pit closure programme. The NCB will only go as far as saying it will "re-examine" these proposals.

● The NUM is pressing that the five collieries listed by each side "will be kept open;" the NCB say that they "will be the subject of further consideration."

● While both sides agree on the key phrase, "further mineable reserves" as part of the definition of an uneconomic pit, to be found by a joint investigation by mining engineers, they differ sharply on the further definition of what that means.

The NUM says such reserves should be those which are "workable or which can be developed," while the NCB wants the word "beneficially—a substitute for 'economically'—inserted.

This is the crux of the argument—and despite the optimism from many of the parties yesterday, it is still there, still unresolved, still substantially unconceded by the NUM.

NUM DRAFT AGREEMENT:

THE National Coal Board and the National Union of Mineworkers have examined the current situation in an effort to resolve the present dispute and provide a basis for the future of the industry. Consequently, it is agreed that:

1—In light of the changed circumstances, the board has reconsidered its proposals announced on March 6 and agrees to withdraw the programme of pit closures contained therein. Any future decisions relating to collieries will be dealt with in accordance with the guidelines below.

2—In order to establish more clearly the parameters for exhaustion of reserves in line with the Plan For Coal, the following categories and procedures will apply:

(a) Collieries which are deemed exhausted in line with the Plan For Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties, i.e.,

safety, will, again in line with the Plan For Coal, be closed by joint agreement.

(c) Where a comprehensive and in-depth investigation by the board and union's respective mining engineers shows that a colliery has no further mineable reserves that are workable or which can be developed: there will be agreement between the board and union that such a colliery shall be deemed exhausted.

3—In accordance with the above procedures, the following collieries currently under discussion will be kept open in line with the union's submissions: (a) Polmaise; (b) Herrington; (c) Cortonwood; (d) Bulcliffe Wood; (e) Snowdown.

4—On the basis of the above arrangements which will establish a developing and expanding coal industry to meet future energy requirements, the board and mining unions will jointly discuss the Plan For Coal and any proposed revisions.

NCB DRAFT AGREEMENT:

THE NCB and the NUM have examined the current situation, in an effort to resolve the present dispute and provide a basis for the future of the industry. Consequently, it is agreed that:

1—In the light of the changed circumstances the board will revise the March 6 proposals and re-examine those proposals for individual areas, taking account of the changes that have occurred in the needs of the market and the loss of output resulting from the dispute.

2—The following collieries referred to specifically by the NUM—namely (a) Polmaise, (b) Herrington, (c) Cortonwood, (d) Bulcliffe Wood, (e) Snowdown will be the subject of further consideration.

3—In order to establish more clearly the parameters in respect of exhaustion of reserves—in line with principles of the Plan For Coal—it is agreed that in the future the following categories and procedures will apply:

(a) Collieries which are

exhausted in line with the principles set out in the Plan For Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties, i.e., safety, again in line with the principles of the Plan For Coal, will be closed by joint agreement.

(c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable or which can be beneficially developed, there will be a joint agreement between the board and union that such a colliery shall be deemed exhausted.

4—On the basis of the above arrangements the board and the unions will jointly discuss the Plan For Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing and developing an expanding coal industry equipped to meet future energy requirements.