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MISC 101(84) 44th Meeting

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CABINET

MINISTERIAL GROUP ON COAL

MINUTES of a Meeting held at  
10 Downing Street on  
MONDAY 8 OCTOBER 1984 at 11.30 am

PRESENT

The Rt Hon Margaret Thatcher MP  
Prime Minister

The Rt Hon Viscount Whitelaw  
Lord President of the Council

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 Norman Tebbit MP  
Secretary of State for Trade  
and Industry

The Rt Hon Tom King MP  
Secretary of State for Employment

The Rt Hon David Young  
Minister without Portfolio

The Rt Hon Sir Michael Havers QC MP  
Attorney General

The Rt Hon John Stanley MP  
Minister of State for the Armed Forces  
Ministry of Defence

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

SECRETARIAT

Sir Robert Armstrong  
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 pits working normally numbered 45. Those turning some coal numbered 10, an increase of 1. The pit concerned was in North Staffordshire: resumed production there was particularly welcome because the coal was of the kind needed for coke for the British Steel Corporation (BSC) works at Scunthorpe and elsewhere. A further pit in North Derbyshire now had 20 men in <sup>land</sup> the National Coal Board (NCB) hoped that attendances would now quickly increase to levels at which production would be possible.

876,000 tonnes of coal had been moved the previous week. 637,000 tonnes had gone to power stations, where there had been a small increase in stocks for the fifth week running. Stocks at the power stations were now higher than 2 months previously.

207 coal trains had run during the previous week. The British Rail (BR) Board hoped that the 1-day strike which had been called at its Shirebrook depot on 10 October would not now take place.

The Chairman of the NCB had met representatives of the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS) on Friday 5 October. The Board had made clear that its legal duties precluded binding arbitration on closures. Their view was that any arrangements involving a third party in closure procedures could go no further than providing for independent advice of some kind to be given at regional or local level and then to be considered by the Board along with other relevant factors in coming to a conclusion. At further talks held in Doncaster on 7 October at the request of NACODS, the Association had asked the NCB to agree to joint talks in the course of the following week with the Advisory, Conciliation and Arbitration Service (ACAS). The NCB had said that they were prepared to do so: meanwhile, they were having separate talks with ACAS on 8 October. Although the risk of a strike by NACODS remained, the likelihood was reducing somewhat as the interval since the Association's ballot increased. There was evidence of pressure from some NACODS members for a further ballot to be held if the leadership wished to call a strike.

THE SECRETARY OF STATE FOR EMPLOYMENT said that ACAS, who had met the National Union of Mineworkers (NUM) on Saturday 6 October, felt themselves under pressure to become further involved in attempts to settle the dispute. The measured way in which the NCB had handled the dispute with NACODS had helped to defuse unjustified and unhelpful expectations which had become apparent the previous week on the part of the Association and others that a major breakthrough involving all parties to the dispute might be imminent. He understood that ACAS were exploring whether there was a case for trying to bring all parties to the dispute together for discussions, but that their view was that this was unlikely to achieve worthwhile results at present.

In discussion of the public line to be taken by Ministers, the following main points were made -

a. On the question of uneconomic pits, Ministers should stress that it was in the interests of the industry and everyone in it to invest for a profitable and cost-effective future. It would be senseless to spend the resources - provided by the taxpayer - which were needed to achieve this on keeping some loss-making pits producing coal at a cost far greater than the price at which it could be sold. The NUM's claim to be fighting to preserve jobs for future generations was nonsense: even with closures confined to exhausted pits as proposed by the NUM, the life of many uneconomic pits was limited. Looking after the real interests of future generations, both in the coal industry and in enterprises which brought energy generated from coal, meant working for the healthy and cost-effective industry which both the NCB and the Government wished to see.

b. The General Secretary of the NUM at the weekend had appeared to suggest that the Union might be prepared to acquiesce without strike action in pit closures decided on as a result of binding arbitration of the kind proposed by NACODS. The reaction of the NUM to subsequent comments by the Secretary of State for Trade and Industry had made it clear, however, that the NUM would refuse to agree to terms of reference which would allow an arbitrator to recommend closures on economic grounds. As far as possible, Ministers should see that the leadership of the NUM did not succeed by adopting a conciliatory tone in distracting public attention from the true intransigence of their position.

c. Ministers should confine their statements as far as possible to the facts of the dispute and should, in particular, avoid being drawn into discussion of opinions expressed by the Archbishop of Canterbury and other senior figures in the Church of England. It was to be hoped, however, that the churches would recognise their responsibilities to oppose intimidation and violence and to use their influence to protect potential victims.

In further discussion, the following were the main points made -

d. Any introduction of advice from a third party into closure procedures should take place at the local or regional level, where consultation procedures had worked effectively in the past; and not at national level.

e. The NCB had not so far publicised effectively the benefits which its new Enterprise Agency would have for the future of areas affected by closures. It would be helpful to the Board's case if they were to continue their efforts to do so, if necessary by means of paid advertising. They would have a particularly apt opportunity when they announced shortly the names of the Chairmen of the Agency and other leading personalities involved.

THE PRIME MINISTER, summing up the discussion, said that events in the coming week would be delicate, and, in some important respects, unpredictable. What action the High Court would take on 10 October over the case which had been brought against Mr Scargill for contempt by 2 Yorkshire miners remained to be seen, particularly if, as seemed likely, Mr Scargill stayed away. Negotiations with NACODS would continue to call for careful handling by the NCB. Members of the Group should take great care in preparing their public statements on the dispute in the course of the week; and, in doing so, should draw on the lines identified by the Group in discussion. Unless developments in the dispute made an earlier discussion necessary, the Group would meet again on Monday 15 October.

The Group -

Took note, with approval, of the Prime Minister's summing up of their discussion.

Cabinet Office

8 October 1984