

15/10
Sole Copy
37 A
SECRET

COAL DISPUTE: NOTE FOR THE RECORD

During the course of the weekend the Prime Minister spoke at various times to the Secretaries of State for Employment and Energy and to Mr MacGregor.

Mr King 'phoned on Saturday morning to dictate the various texts which were being considered at ACAS. These are attached:

- (A) The NUM text (as drafted by ACAS) which was presented on Thursday.
- (B) (i) The ACAS text which took account of the criticisms of (A) made by NCB. This was accepted by NCB on Friday.
- (ii) A "tail-piece" drafted by NCB, but not tabled, setting out the respective duties and responsibilities of NCB and the unions.
- (C) A revised text tabled by NUM on Saturday whose effect was
- to shift the reference to the "principles of the Plan for Coal" to an innocuous part of the text
 - to remove the reference to "as a final stage"
 - to delete "review" from "independent review body"
 - to delete "closure" from "any closure matter".

SECRET

SECRET

-2-

Mr King 'phoned again at 1900 hours on Saturday to report on the outcome of the meeting at ACAS. He said that while waiting for Mr MacGregor to arrive ACAS had spoken to NACODS who were willing to accept the ACAS text though they argued it would be helpful to the NUM if the reference to "closure" were dropped. When Mr MacGregor arrived he had said he could make no further move from the ACAS text to which he had already agreed. There was no further direct meeting between the NUM and NCB, but NACODS, after meeting the NUM, went in to see the NCB. By all accounts it was a rough meeting with NACODS taking on the role of NUM shock troops. They argued that they had a strong mandate for a strike and that their members could not be restrained much longer. Mr King reported that Mr MacGregor, in the face of this pressure, had concluded the meeting by saying he would consider whether the reference to "closure" could be omitted. It was not clear however how explicit this offer was. The meeting was adjourned until 1730 on Monday.

In discussion with Mr King and Mr Walker, who 'phoned at 2100 hours, the Prime Minister considered whether Mr MacGregor should return with other drafting suggestions to replace the word "closure". Mr Walker argued strongly against this and the Prime Minister eventually came to this conclusion also. Mr Walker said that Mr MacGregor should make no further move whatever but should emphasise that he had accepted the ACAS text without any corresponding move by the NUM. It was agreed that ACAS should not offer any further drafts. To do so in the absence of any move by the NUM would undermine the position of the NCB. Mr King undertook to get that message through to ACAS.

There was discussion of whether the "tail-piece" should be integrated into the text. ACAS appeared to regard it as a self-evident statement which both sides could accept. Ministers, however, felt it would be helpful to mobilise this wording though not necessarily as an integral part of

SECRET

the text.

Mr Walker spoke to the Prime Minister again on Sunday afternoon at around 1500 hours. They agreed that there should be no movement away from the ACAS text. He reported that Mr MacGregor was intending to stick firm to the existing text even though he was experiencing some weakness with his colleagues in the negotiating team. It was agreed that the Prime Minister should 'phone Mr MacGregor in Scotland to say:

- (i) She had heard from Mr Walker that he had no intention of moving from the ACAS text and in particular was insisting on the reduction of the reference to closures. She would express full support for this position.
- (ii) If his colleagues threatened resignation Mr MacGregor should be prepared to see this happen. (Mr Walker counselled caution, however, as the appearance of a disaffected member of the NCB negotiating team on television could be damaging.)
- (iii) NCB tactics should be to contrast their willingness to accept the ACAS text with NUM refusal to move in any way.
- (iv) The Secretary of State for Energy would be willing to send a letter to Mr. MacGregor expressing support for his position if that were judged to be helpful.

Mr. Walker also made the following points:

- (i) He would be appearing on "Panorama" despite the fact that talks would still be going on. He would be emphasising the strong position on endurance.
- (ii) He had raised the question of strengthening the NCB negotiating team by bringing in either Wheeler, Moses or Eaton. Mr. MacGregor was reluctant to do this as it could provoke unrest and possibly resignations amongst other NCB managers.
- (iii) If necessary, the NCB should be prepared to take the gamble on NACODS. There was a reasonable prospect that they would either not call a strike or that if they did so it would be ineffective. Either would be preferable to further concessions.

The Prime Minister spoke to Mr. MacGregor by phone at 1630. He explained that NACODS were being used by the TUC and NUM to blackmail the NCB. His tactic was to allow the force of the NACODS' ballot to weaken by a process of "radioactive decay". He gave the impression that he might wish to extend the talks for several days yet to allow even further time to pass. He explained that he had asked for the next round of talks to start at 5.30 on Monday as this would bring NACODS' men into work for the start of another week. If agreement were not reached with NACODS he would demand that there be another ballot specifically on what the NCB was now offering.

The Prime Minister said she had heard that Mr. MacGregor was proposing to make no further concessions and to resist totally the ~~deletion~~ of any reference to closures. She told him that he would have the full support of

Ministers in this. He assured her that any further weakening would be "over my dead body". He indicated that even if the principle of an advisory body were accepted there would still be tough negotiations about its ^{com}position and terms of reference. He declined the Prime Minister's offer of a letter of support.

The call ended with the Prime Minister emphasising again that there could be no further movement.

The Prime Minister held a meeting on Monday morning at which the Lord President, the Secretaries of State for Energy and Employment, Mr. Alison, Mr. Gregson, Mr. Butler and myself were present. This replaced the scheduled meeting of MISC 101.

The Prime Minister set out the position reached over the weekend as recorded above. It was agreed that Mr. MacGregor should make no further concessions and should contrast his acceptance of the ACAS compromise text with the refusal of the NUM to give any ground whatsoever. Mr. King again emphasised that it was vital that ACAS did not submit a new text undermining the NCB's position. He again offered to get a message to this effect to ACAS.

It was noted that the NUM had a number of other demands, e.g. pay/hours; the composition and terms of reference of the advisory body (Mr. Walker wanted this to be local and oriented towards engineers); and an amnesty for those dismissed for committing criminal offences. Concessions on the existing text were likely to be pocketed and these new demands brought forward. It was unlikely, therefore, that concessions now would achieve a settlement.

The Secretary of State for Energy said it would be difficult to insist absolutely on the principle that those convicted of criminal offences of damage to NCB property or

SECRET

-6-

violence to other miners should be dismissed. Convictions could run into several thousands, among whom would be many NUM office holders. Against this was argued the need to protect working miners from victimisation when the strike was over.

It was agreed that, if necessary, the possibility of a strike by NACODS should be faced.

AT

15 October, 1984

SECRET

(A)

NUM POSITION ON THURSDAY

3c. Any other colliery not covered by a or b may be brought forward by either party for discussion and investigation in line with the Plan for Coal and the Colliery Review Procedure.

3d. The Colliery Review Procedure will be amended to include an independent Appeals Body whose function will be to consider an appeal from any one of the mining unions or the NCB on any matter arising from 3a to 3c and -

Alternative codicil:

(i) any decision of this body will be binding.

(ii) full weight will be given to the advice of this body.

ACAS PROPOSALS MADE AT 1030 hrs on 12 OCTOBER

3c. Any other colliery not covered by 3a and 3b above may be brought forward by either party for discussion and investigation in line with the principles of the Plan for Coal under the Colliery Review Procedure.

The Colliery Review Procedure will be amended to include as a final stage an independent Review Body whose function will be to consider a reference from any one of the parties to the procedure on any closure matter arising under Clauses a, b and c above about which there is disagreement. Full weight will be given to the advice of this independent review body.

Bii

TAIL PIECE

It is accepted as a principle that the NCB has the statutory duty and responsibility to manage the industry. It is also fully recognised that the unions have the right and responsibility to represent all the interests of their members in the industry.

NUM COUNTER PROPOSAL ON 12 OCTOBER

3c. Any other colliery not covered by 3a and b above may be brought forward by either party for discussion and investigation in line with the Plan for Coal under the Colliery Review Procedure. The Colliery Review Procedure which in accordance with the principles of the Plan for Coal has dealt with any matter arising under a, b or c will be amended to include an independent body whose function will be to consider a reference from any one of the parties on any matter arising under the above clauses about which there is disagreement.