



SECRETARY OF STATE FOR ENERGY THAMES HOUSE SOUTH MILLBANK LONDON SWIP 4QJ

LETTER TO BACKBENCHERS

16 October 1984

I write to you following the breakdown of negotiations between the National Coal Board and the NUM.

At the request of NACODS the National Coal Board agreed to enter into negotiations with the NUM under the auspices of ACAS. At the beginning of the meeting the NUM had their proposals tabled. These were unacceptable and would in fact have given the NUM power to veto any closure, thereby making it impossible to deal with the problems of uneconomic pits. Mr Scargill has repeatedly endeavoured to describe these proposals as an ACAS paper. In fact the paper made it clear that it was a distillation of the views of the NUM.

Following this, the NCB tabled a paper which accepted that the Board would agree to an independent review body on pit closures, would give proper consideration to any views which the body expressed, but obviously would retain the Board's right to take management decisions.

Following this ACAS put forward a formula which used the following wording on the question of pit closures:-

"Any colliery not covered by geological exhaustion or safety dangers 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 would be to consider a reference from any one of the parties on any closure matter about which there is disagreement.

"Full weight will be given by the parties to the advice of this independent review body."

The NCB immediately accepted this wording - the NUM totally rejected it. We therefore have a position where NACODS requested the NCB to go to ACAS, having heard both sides ACAS produced a formula which the NCB accepted but which was totally rejected by Mr Scargill.

I believe it is important we now explain repeatedly to the country the comprehensive package on offer to the miners:

- 1. A wage increase backdated until last November which is greater than that already accepted by many groups of workers, including those in the power, gas, railway and water industries.
- 2. An undertaking that any miner who wishes to continue working in the coal industry will be able to do so. There will be no compulsory redundancies.



- 3. For miners in any pit which is going to close, an opportunity to go for voluntary early retirement on terms more generous than in any coal industry in the world, and any other industry in this country.
- 4. A continuation of a capital investment programme in new machinery, new collieries and new coal faces, which will enable the industry to produce cheap coal and therefore to expand its markets. A sharp contrast to socialist France where the mining industry is to be cut by half.
- 5. The creation of a new enterprise company which will provide finance, advice and accommodation for new businesses and new enterprises in any mining community adversely affected by closures. During the eleven year period in which Labour governments closed 330 pits (many more pits than exist at present) there was no such generous programme for the communities, and there were no such provisions for early retirement.
- 6. To amend the colliery review procedure previously agreed between the National Coal Board and the mining unions so that an independent review body can, if asked to do so, give its views on a closure. This would be coupled with an undertaking that full weight will be given by the NCB to any advice received from the independent review body.

In total this package must be better than anything that has been offered to the miners since nationalisation. There has certainly never been any justification for the current industrial action. We have reached a position where Mr Scargill wishes to continue with conflict, for it is only by means of conflict that he hopes to achieve his political purpose.



I am pleased to be able to tell you that our stocks of coal at the power stations remain very good. Indeed for some weeks now we have succeeded in moving more coal to the power stations than has been burnt. At the moment our coal stocks at power stations are higher than they were nearly two months ago.

There can be no way that the Government or the National Coal Board can meet the totally unreasonable demand of Mr Scargill that no uneconomic pit shall be closed. This demand has never previously been made by any leader of the miners, never been contemplated by a Labour government and is not operated in any coal industry in the world. Neither must we be seen to be moved by leaders who use the methods of the mob and victimisation.

The police have now made more than 7,000 arrests during the dispute. They have to date succeeded in repelling every attempt to close a working colliery, a steelworks, a power station or a coke works by means of mob violence.

It is vital that we do everything we can to galvanise the public to support us, and to persuade trade unionists in other unions how unreasonable it would be for them to lose their wages and their jobs in order to support a union leader who refuses to have a ballot of his members, who refuses to accept the ACAS formula, and who ignores the fact that the third of his members who were able to ballot voted overwhelmingly not to strike and have continued to work throughout this dispute.

With best wishes

Yours sincerely

PETER WALKER