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SECRET AND PERSONAL

MR. TURNBULL

COAL DISPUTE

The Prime Minister had a meeting with the Secretaries of State for Energy and Employment and Mr. Gregson yesterday evening to take stock of the position following the NACODS decision.

The Secretary of State for Energy had heard a rumour that NACODS had decided to strike in 10 days' time: corroboration arrived in the form of a statement on the Reuter tape in the course of the meeting. The following aspects were then discussed:-

(i) Likely NACODS response

Mr. Walker said that he expected that all working areas would continue to operate except, initially, Lancashire.

(ii) Legal aspects

It was noted that the ballot question had not technically complied with the 1984 Act: also the Secretary of State pointed out that, if the strike started on 26 October, it looked as if it would be one day beyond the time limit in the recent Act. NACODS might then lose immunity. Mr. Walker's and Mr. King's inclinations were against using the law, at least until it was seen whether the strike was solid. Another suggestion was that the illegality of the ballot could be used as a way of re-assuring NACODS members in the working areas

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that they need not worry about ignoring the strike call; but this idea did not catch fire either.

(iii) Prolonging endurance if the NACODS strike was solid

Mr. Walker said that he and Mr. Gregson would provide a paper on all the options with the merits and dangers of each. Matters mentioned by the Prime Minister were expanding open cast (Mr. Walker said it would not help this winter); moving open cast (Mr. Walker said that a fire at Cannock was making it necessary to move the 870 thousand tons there); moving coal from other strike-bound sites; moving the two million tons of coal from Rotterdam.

(iv) Power restrictions

Mr. Walker mentioned asking the private sector to take steps to restrict energy consumption. The Prime Minister was clearly nervous about this.

(v) The National Coal Board

Mr. Walker said that he had written to
Mr. MacGregor that day emphasising the importance
of communicating with the miners and the public
and insisting that a new advertising agency be
appointed. There was talk about improving the
support for Mr. MacGregor: Mr. Walker said that
he would try again on Wheeler but was not
optimistic. Mr. King suggested a good Private

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Secretary, but Mr. Walker did not encourage this either. He said that Tim Bell was Mr. MacGregor's closest adviser and Gordon Reece was now getting in on the act.

(vi) Power Unions

Mr. King said that John Lyons was seeking a guarantee that the Government would not press ahead with a no strike agreement in the essential services. It was agreed that Mr. King would discuss this with him privately and play it long.

(vii) Relations with the Trade Unions

The Prime Minister said that she would be willing to invite more trade unionists to No. 10 and Mr. King welcomed this. I have written to his office asking for names.

FERB.