

SECRET AND PERSONAL

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MISC 101(84) 46th Meeting

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CABINET

MINISTERIAL GROUP ON COAL

MINUTES of a Meeting held at
10 Downing Street on
MONDAY 29 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 Michael Heseltine MP
Secretary of State for Defence

The Rt Hon Tom King MP
Secretary of State for Employment

The Rt Hon Nicholas Ridley MP
Secretary of State for Transport

The Rt Hon Lord Young of Graffham
Minister without Portfolio

The Rt Hon Sir Michael Havers QC MP
Attorney General

The Rt Hon Lord Gray of Contin
Minister of State, Scottish Office

Mr Norman Lamont
Minister of State, Department of
Trade and Industry

SECRETARIAT

Sir Robert Armstrong
Mr P L Gregson
Mr J F Stoker

SUBJECT

INDUSTRIAL ACTION IN THE COAL INDUSTRY

SECRET AND PERSONAL

163

INDUSTRIAL ACTION IN THE COAL INDUSTRY

The Group considered the latest position in the coal dispute.

THE SECRETARY OF STATE FOR ENERGY said that numbers of pits with some men in, turning some coal and working normally were the same as the previous week. Record attendances were reported that morning in North Derbyshire and Lancashire. Large-scale picketing was reported that morning at two pits in Yorkshire: this had become the normal pattern.

The National Coal Board (NCB) had moved 897,000 tonnes of coal the previous week.

Press reports had appeared at the weekend about a visit by the Chief Executive of the National Union of Mineworkers (NUM), Mr Windsor, to Libya.

Mr Scargill had subsequently attempted to argue, first, that the visit was a normal part of a series of wider international contacts; and, secondly, that the purpose of the visit had been to hold discussions with union sources, and not with the Libyan Government. These claims were implausible. There was clear evidence that the visit had been concealed from members of the National Executive of the NUM and that personnel of Libyan state organisations had been involved in making and paying for travel arrangements. The contacts through whom the visit had first been set up had had no connections with Libyan trade unions, though they were connected with Libya in less desirable ways. Revelations about the visit had led to divisions between the NUM and the Labour Party, and, to some extent, between the NUM and the Trades Union Congress (TUC). It was too early yet to say whether there would be a significant effect on the rate at which strikers were returning to work, but he hoped that reaction to the episode would help to strengthen the hand of moderates within the NUM.

Talks the previous week between the NUM and NCB at the Advisory, Conciliation and Arbitration Service (ACAS) had been adjourned and were due to be resumed on the morning of 31 October. Neither the NUM nor the NCB had changed their stance. ACAS had asked each side for a paper setting out its position: a likely outcome from the resumed negotiations was that ACAS would see no scope for productive negotiations and would suggest that the talks be broken off.

In discussion the following were the main points made -

- a. It would be important to gain full benefit from the settlement with the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS) and the revelations about the NUM's Libyan connection while their impact remained fresh. Strikers would tend to be inhibited from returning to work while negotiations continued: if the NUM remained unwilling to accept terms which had been agreed by NACODS or otherwise to modify their position, it was undesirable that talks between them and the NCB should be prolonged. ACAS's view of the prospects for progress - or lack of them - might lead them to terminate the talks: if not, it was likely that action by the NCB to terminate them would be widely understood and supported, given the extreme intransigence of the NUM and the availability of reasonable terms which had been accepted by other unions.
- b. It was not yet clear what the membership or terms of reference of the new body to be set up under the NCB's agreement with NACODS were to be, nor on what criteria it would consider matters put to it. Further details of the NCB's thinking on these points should be given to the Group as they became available.
- c. The time might now be right for the NCB and Central Electricity Generating Board (CEGB) to consider a major increase in coal deliveries, drawing on stocks at pitheads. On the other hand, coal was already being moved in very substantial quantities. Any significant expansion would present logistical problems, and might provoke a reaction which could put existing movements at risk.
- d. It was still not clear what effect the sequestration of national NUM funds would have on their ability to finance picketing, the direction of which had previously been carried on at national level. It was thought that the sequestrators would seek to pursue national funds thought to have been passed to the areas of the NUM to finance picketing. It seemed unlikely at present that sequestration would affect the union's hardship funds, which were held in a separate fund with separate trustees.

THE PRIME MINISTER, summing up this part of the discussion, said that if, as seemed likely, the NUM remained wholly intransigent at the resumed talks at ACAS later that week and refused to accept the terms which had been agreed by NACODS, the Gr up agreed that it was desirable that the talks should end. While the attitude of the NUM ruled out a negotiated settlement, the only alternative was to encourage individuals still on strike to return to normal working. Best efforts should be made to channel the revulsion of decent people in the NUM, the TUC and the Labour Party at the NUM's relations with Libya into pressure for a settlement on reasonable terms. Such pressure would, it was to be hoped, increasingly isolate the extreme stand of Mr Scargill and the strike leadership. It would be desirable to await the outcome of that week's events before considering attempts to achieve large increases in movements from stocks at strikebound pits or any other major new initiatives in the conduct of the dispute.

The Group -

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

THE SECRETARY OF STATE FOR TRANSPORT said that the Chairman of the British Rail (BR) Board had been due to report to him by mid-Summer on his plans for the future of British Rail Engineering Limited (BREL). Because of the undesirability of further controversy on the railways while the coal strike continued, he had not so far pressed the Chairman for his report. The railway unions were aware, however, that the Chairman was committed to report to him on this subject. They were suspicious about the delay and were pressing the Chairman to discuss his intentions with them. In his own view, the consequences for industrial relations of further delay would be likely to be more disruptive than allowing the Chairman to open consultations with his unions now. He himself had spoken to the Chairman of BR, who wished to write to him formally, explaining that it had not been possible to make progress with the review of BREL as quickly as had originally been hoped and asking for more time to complete the necessary work. He proposed then to open preliminary discussions with his unions.

THE PRIME MINISTER, summing up a brief discussion, said that it was of great importance to avoid industrial action on the railways. The Secretary of State for Transport, bearing this in mind, should seek to agree with those Ministers most closely concerned how best to handle his proposed formal contact with the Chairman of the BR Board about the review of BREL; and what advice the Chairman should be given about requests for discussions by the railway unions.

The Group -

2. Invited the Secretary of State for Transport to seek to agree proposals on the matters indicated by the Prime Minister in her summing up with the Prime Minister, Secretary of State for Energy, Chancellor of the Exchequer and the Secretary of State for Employment.

Cabinet Office

29 October 1984