

cc: J V

SECRET



45

Prime Minister (2)

Some miners

will get £60-65,000

in redundancy money.

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But the average

MS 24/2

for the 50-54 group

24 February 1983

is £26,000 (see

Policy Unit note

attached).

MS

D Nigel.

POSSIBLE IMPROVEMENTS IN REDUNDANCY TERMS FOR MINeworkERS

Thank you for copying to me your letter of 17 February to Leon Brittan.

I understand the reasons why you feel that improvements, concentrated on the 50-54 age group, are necessary. However there is no doubt that any announcement will provoke the usual outcry about the generosity of public sector redundancy terms compared with entitlements under the general redundancy scheme. There could also be unhelpful reactions from other public sector groups.

I would therefore hope that, in introducing the improvements, you could play down the big maximum figures which the media tend to fasten on (£60-65,000, I understand, for a miner dismissed at 50 who draws full make-up and other payments until normal retiring age). I realise, of course, that you can only go so far in this direction without diminishing the package's attractions to the miners. It would also be advisable, I think, to emphasise that continuing payments are a fall-back for those unlucky enough not to find another job, not an entitlement. It would be unfortunate if the Government appeared to be assuming that fit men made redundant at 50 had virtually no chance of finding other work.

I am copying this letter to the recipients of yours.

*[Handwritten signature]*

Nat Ind : Coal : Pt 7

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