

Ref. A083/0713

PRIME MINISTER

Cabinet: Industrial Affairs: The Coal Industry

I understand that the Secretary of State for Energy has been in touch with you about the developing dispute in the coal industry. He will no doubt wish to report briefly to the Cabinet tomorrow under the Industrial Affairs item.

MAIN ISSUES

2. The main issues at this stage are:
 - a. How likely is a national miners' strike?
How widespread would any strike short of this be likely to be?
How long would a national strike, or more limited action, be likely to last?
 - b. The extent of power station endurance and, in particular, the timing of measures (principally the implementation of maximum oilburn) designed to prolong endurance.
 - c. The handling of publicity and what the Government's public stance should be.

(a) The Situation

3. At present the situation is very confused. The South Wales coalfield is already on strike and the National Union of Mineworkers (NUM) has called a strike in South Yorkshire beginning on Monday. In most other areas the local NUM Executive Committees have recommended a strike (although in some cases, eg Nottinghamshire, rather half-heartedly) and are organising pithead ballots over the next few working days. By next Wednesday we should have a clearer picture of the extent of support for the various strike calls. An emergency meeting of the NUM National Executive Committee (NEC) has apparently been summoned for tomorrow (Thursday) although its precise purpose is not yet entirely clear. One question which it will probably consider is whether to organise a national strike ballot, as some areas (eg North Wales and Cumberland) have demanded; a 55 per cent majority in a ballot is required for a national strike.



Since some staff groups (eg the clerical and administrative staff) are known to oppose a strike, the NEC may well prefer, in the light of last November's experience, to encourage local strikes and avoid a national ballot, although this will make it more difficult for the NEC to control the situation.

4. It is therefore impossible to judge at this stage how widespread industrial action is likely to be or for how long it might last.

(b) Power Station Endurance

5. I understand that power station endurance now stands at about six months. This is on the following three assumptions:

- a. maximum power station oilburn (and, presumably, exports from Scotland) from the start of a strike; and
- b. no replenishment of power stations' stocks of lighting-up oil; but
- c. replenishment possible of other ancillary materials, which are required in much smaller quantities and, therefore, need replenishment much less frequently.

This further assumes that all pitheads and power stations will be effectively picketed throughout a miners' strike. However, if a miners' strike were to be confined to a few areas and coal deliveries continued to be possible to power stations in other areas, endurance could be longer than six months and possibly indefinite. It will be next week before we can assess the likelihood of this; much will depend on the attitude of the National Union of Railwaymen, which so far, has provided co-operation only in South Wales.

6. At some stage Ministers will have to consider whether to authorise the maximisation of power station oilburn. The Department of Energy advises against doing so immediately for the following three reasons:

- i. the Electricity Boards can be relied on to move without prompting to maximum power station oilburn as soon as a strike begins. If they do so, they will bear the costs. But if the Government presses them to do so, the Boards may seek a grant, as they did previously; the cost might be of the order of £20 million per week;



- ii. an early move to maximum oilburn might prove unnecessarily provocative; it would quickly become common knowledge;
- iii. to delay a decision until a large-scale strike seems certain would reduce total endurance by only a few days at most.

7. This assessment seems right. But to avoid unnecessary delay in the event of a large-scale strike the Secretary of State for Energy might be authorised, in consultation with the Chancellor of the Exchequer and the Secretary of State for Scotland, to arrange for the necessary measures to be taken as soon as a large-scale strike seems certain.

(c) Publicity

8. Past experience suggests that publicity should be left so far as possible to the National Coal Board and that they will handle it skilfully. A low profile at this stage by the Government seems best; in particular, it will be important to avoid any suspicion that the Government is involved in the decision to close the Tymawr-Lewis Merthyr pit or that a major programme of closures is being planned at the Government's behest. You will want to ask the Secretary of State to report on the National Coal Board's publicity plans.

CONCLUSIONS

9. Subject to the discussion, you will want to draw attention in your summing up to any conclusions reached about:
- a. the present industrial relations situation;
 - b. the timing of measures to maximise power station endurance; and
 - c. the handling of publicity.

You will also want to ask the Secretary of State for Energy to keep you and the other Ministers directly involved in close touch with developments.

Robert Armstrong
 Approved by
 ROBERT ARMSTRONG
 and signed in his absence.

2 March 1983