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PRIME MINISTER

NCB Chairmanship: Statement

The Opposition attempted to manufacture outrage over Mr. Lawson's statement. But all the points they made had already been gone over at great length in the press. It was merely boring to hear them repeated, and Mr. Lawson had few difficulties.

John Smith led for the Opposition. He said Mr. Lawson's statement was unacceptable to the Labour Party, to the workforce of the NCB, and to many Tory backbenchers. Mr. MacGregor had had no experience in the coal industry except in strip-mining. He asked whether the Coal Board or the Government would be paying the scandalous transfer fee. He said that the Government were tying the Opposition's hands on the eve of an election and that Mr. MacGregor would be dismissed by the incoming Labour Government. He scored an own goal by saying that Mr. MacGregor's appointment was for only three years when what was needed was a long term appointment.

In Questions the Opposition really tried to make three points. First, the transfer fee of £1.5m was a waste of money; represented £500,000 a year which could surely have been used to tempt a top manager from British industry. Second, Mr. MacGregor had been appointed as a hatchet-man, when what was needed was someone to lead the industry (preferably someone from within the industry). Third, Mr. MacGregor's appointment was a deliberate provocation to the workforce.

A number of Tory backbenchers, including Michael Morris, Patrick Cormack and William Clark, complained that the Secretary of State should have failed to have found an appointee from British industry, such as Michael Edwardes.

/Mr. Lawson

Mr Lawson said that there would be no incoming Labour Government, and the question of their sacking Mr. MacGregor therefore did not arise. It was natural that Lazard Freres should be compensated for the further loss of Mr. MacGregor's services; the cost would be met by the Government, and the amount was less than that lost by the NCB in one day. Mr. MacGregor was not a hatchet-man and should be judged by results (he added that hatchet-men come a great deal cheaper). Mr. MacGregor was not too old; Mr. Foot was only a few months younger, and was seeking responsibilities considerably more onerous. The Coal Board's objectives remained much the same as those agreed with Mr. Siddall and published in Hansard on 18 March. The Opposition had put forward no alternative candidate, and Mr. Scargill, not the Government, had made Mr. MacGregor's appointment an issue in the recent ballot.

WR.

28 March 1983