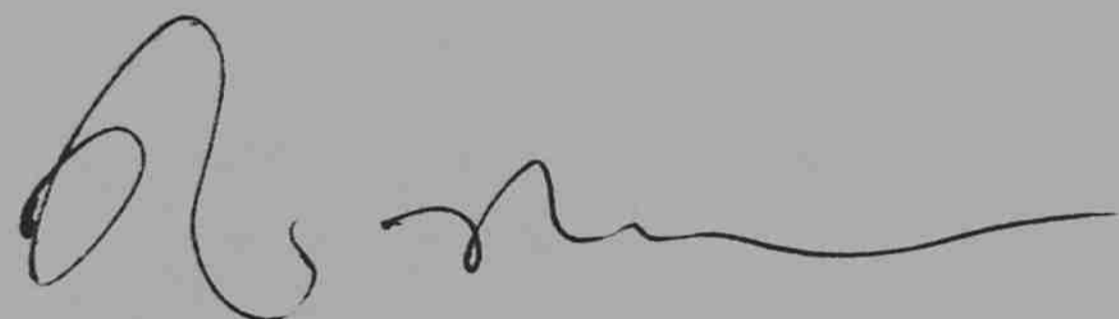


cc

01 211 6402

The Rt Hon Norman Fowler MP
Secretary of State for
Social Services
Alexander Fleming House
Elephant and Castle
LONDON
SE1 6BY

10 January 1985



UNEMPLOYMENT BENEFIT FOR REDUNDANT MINERS

I am writing to express my concern at the limitations placed on National Coal Board manpower policy by the operation of the Social Security Act 1975 and related regulations. Contrary to advice given to my Department and the Board when the mining dispute began, it seems that even miners who have returned to work will, if made redundant while the strike continues, not be eligible for unemployment benefit until it is over.

As you will appreciate, manpower reduction through voluntary redundancy is a key element in the NCB's efforts to bring its finances to break-even in line with its objectives. When the current dispute began we were keen to ensure that the Board should be in a position to continue seeking volunteers for redundancy among working miners, including among those who had returned to work after a period on strike. This policy is jeopardised by rulings from the independent adjudication service which mean that any miner who has not "worked normally" at any time from the beginning of the dispute, rather than from the beginning of his period of notice, is disqualified from receipt of unemployment benefit. Not only is the loss of one or two shifts apparently sufficient for such a disqualification but the "beginning of the dispute" is being interpreted as the beginning of the overtime ban ie October 1983 rather than the beginning of the full strike in March 1984. Clearly redundancy without unemployment benefit is a far less attractive proposition and the National Coal Board are convinced that the way the legislation is being applied is a significant factor which will directly affect their ability to proceed with redundancies.

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I am aware that a number of cases are now awaiting decision on appeal by the Social Security Commissioners. Their decisions may ease the problem to some extent. I have however come to the conclusion that the effects of the primary legislation itself, applied during a major strike lasting many months, may not be entirely as intended. For example could it have been intended that someone who accepted redundancy before a strike but whose period of notice extended into the strike should, whether or not he was on strike, lose his unemployment benefit if the strike prevented him working absolutely normally throughout his notice period? Similarly was it intended that someone who returns to work after a period on strike and then decides to accept redundancy should, for as long as the strike continues, be ineligible for unemployment benefit? I doubt whether the legislation was drafted to deal with such a long stoppage as we are now faced with.

I would therefore ask you to consider whether it might not be opportune to set up a review of the relevant social security legislation with a view to redrafting those sections which seem to have given rise to the most difficult problems during the current dispute. While I would not expect the results of any such review to ease the current problems faced by the National Coal Board, I believe it would be helpful if positive steps were taken now in an effort to ensure that the many problems of interpretation which have arisen since March would in due course be definitively resolved by clarifying the primary legislation.

I should welcome your agreement to this proposal and also that of Tom King to whom I am copying this letter.

A large, stylized handwritten signature in black ink, appearing to read 'Peter Walker'.

PETER WALKER

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