

SECRET AND PERSONAL

Mufaxed to Chequers
67 A. @ 2200 hrs
18/1/85

PRIME MINISTER

MINERS' STRIKE

Peter Walker telephoned about four matters on which he would like to talk to you over the weekend:-

(1) Heathfield and Windsor of the NUM are secretly and privately - but with Scargill's knowledge - going to discuss with two NCB officials on Monday what the NUM would be prepared to offer for the agenda of talks with the NCB if such talks were to take place. This stems from the meeting of the Coal Industry Benevolent Fund, which NUM officials attended on Wednesday. They made approaches about talks in the margins of that meeting and the NCB repeated that they would only be able to have talks if the NUM made clear that they had changed their position about the closure of pits on economic grounds. These secret talks are to test whether the NUM are now prepared to make such a shift.

(2) Norman Willis went to see Peter Walker very privately today, carrying a piece of paper which he proposes to put to the TUC Finance and General Committee on Monday, as a basis of a public statement by the TUC about the strike. Norman Willis showed this to Peter Walker on the basis that the TUC would like to produce a statement to which, of course, the Government would be in no way committed but which they would not reject out of hand - something to which the Government could make the sort of response that the TUC appeared to be trying to be constructive and that it was to be hoped that the NUM would do the same. Peter Walker has promised to telephone the precise text of this document tomorrow morning, and we will relay it to you at Chequers. You can then discuss it with Peter Walker, who has promised to give Norman Willis his comments on Sunday.

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Peter Walker says that the paper stipulates:

(a) The five pits should remain in operation, but normal review procedures should apply. This appears to be acceptable, although Peter Walker said that there could be some improvement in punctuation to make quite clear that the review procedure would apply to these pits.

(b) When the return to work occurred, it would be on the basis that the NCB and NUM should aim to agree over six months on the future of the industry, taking account of a list of factors. Peter Walker said that this list of factors appeared to be satisfactory and included things like productivity and the state of the market. But there was a sentence which could be read as meaning that the normal closure procedure as modified by NACODs would not apply until the new plan had been agreed, and Peter Walker had made clear to Willis that this would be totally unacceptable. Willis appeared to accept this point and be willing to amend the document. Willis also told Peter Walker that he had had a private discussion with Scargill this week and had told him that he must face facts and that the longer the strike now went on the less chance he would have of holding the NUM together. The disintegration of the NUM also presents great potential problems to the TUC, e.g. if the breakaway areas asked to be affiliated to the TUC.

(3) Peter Walker also wants to have a word with you about a suggestion from John Biffen and John Cope that there should be a debate on the strike in Government time. John Biffen and John Cope argue that Government backbenchers think that the Government would be on a marvellous wicket and that the Opposition would be embarrassed by such an offer; but Peter Walker is opposed to it, believing that it would simply get the Opposition out of the embarrassment caused by the

pressure of their Left-wingers. It would also represent a retreat from John Biffen's statement during Business Questions that there was no question of a debate in Government time, and might well be seen as undermining the Speaker's authority.

(4) Peter Walker would also like to have a word with you about the Kinnock letter, since he is first for Questions on Monday. He feels strongly that the idea of an independent inquiry should be rejected and I told him that this was certainly your view.

Comment

On the first point above - the secret talks between the NCB and the NUM - Andrew had a message from David Hart who was concerned that this might be an attempt by the NUM to get in before Ned Smith retires in two weeks' time. David Hart also reported that Michael ~~fit~~on was insisting that any indication by the NUM of a shift in their position on uneconomic pits should be put in writing - and this seems good advice.

As regards (b), Peter Walker's position that the normal closure procedure, as modified in the NACODs agreement, must apply from the first day when the miners return to work, seems absolutely right.

Peter Walker is at home tonight and tomorrow, but you may wish to wait until you have seen the TUC document before telephoning him.

F.R.B.

18 January 1985

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N.C.B.

NUM

4-3

1) smun - o.
2) Hunt

Answers to a letter

① Pk

② Ind. Man Body

④

① Review procedure for Day 1

② NCS final decision

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