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MISC 57 (85) 1st Meeting

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CABINET

OFFICIAL GROUP ON COAL

MINUTES of a Meeting held
in Conference Room C, Cabinet Office
on TUESDAY 2 APRIL 1985 at 2.30 pm

PRESENT

Mr P L Gregson
Cabinet Office
(In the Chair)

Mr P Warry
Prime Minister's Office

Mr S Webb
Treasury

Mr D H J Hilary
Home Office

Miss S Brown
Department of Energy

Dr R Heathcote
Department of Energy

Mr I T Manley
Department of Energy

Dr M J Harte
Ministry of Defence

Mr G Murray
Scottish Office

Mr A N Russell
Scottish Office

Mr E Wright
Department of Trade and Industry

Mr D B Smith
Department of Employment

Mr P Wood
Department of Transport

SECRETARIAT

Brigadier J A J Budd
Mr J E Roberts

SUBJECT

LESSONS OF THE MINERS' STRIKE

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The Group considered a Note by the Secretaries (MISC 57(85) 2) together with further Notes by the Secretaries covering contributions from the Department of Energy, Department of Employment, Home Office, Department of Trade and Industry, and the Ministry of Defence (MISC 57(85) 3 to 7 respectively).

THE CHAIRMAN said that the objective was to submit a report to Ministers by the end of May. This would not be an exhaustive history, but would focus on the lessons of the miners' strike which might need to be applied either to a future dispute in the coal industry or more widely. The aim would be to identify either opportunities for action which had been newly identified or constraints which the Government should work to remove.

In discussion the following were the main points made -

General Assessment

- a. Three vitally important factors in determining the course of the strike had been the endurance which the National Coal Board (NCB) and the Central Electricity Generating Board (CEGB) had been able to build up, which had given time for events to take their course and had affected the attitude of miners, the inability of the National Union of Mineworkers (NUM) to secure a mandate for action, and the fact that the union had been able to "picket out" working miners.
- b. The Government had been right to remain aloof for most of the strike; this had allowed the President of the NUM to overreach himself. The position of both the Government and the NCB on pit closures had been generally regarded by the general public and most trades unions as reasonable. By contrast the unreasonableness of the NUM leaders, their failure to hold a ballot especially in the early stages, and the perceived politicisation of the strike had weakened the chance of the NUM receiving support from a significant section of its own members, from most other unions or from the public.

c. While it had been thought that a strike was inevitable at some stage, the incident which had precipitated it was almost accidental. Once the strike had begun, it had quickly become clear that no quick solution would be likely. It could reasonably be claimed that the plans for endurance had been well formulated. It was important to relate the cost of providing endurance against the perceived risk of strike action, and in the situation following this long strike the balance might well be different.

d. Any analysis of the strike must take full account of the motivation of the leaders of the NUM. It was clear that some of them regarded the strike as a "struggle" to be fought to the end, and in these circumstances no negotiations based on reasonableness could take place.

e. The NCB were conscious of the advantages which would flow from reducing the monopoly held by the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS) over safety and supervisory duties. The forthcoming review of the role of the Health and Safety Executives' responsibilities in the mining industry might provide an opportunity to tackle this point.

Endurance of the Electricity Supply Industry (ESI)

f. Ministers had been concerned during the dispute about the movement of coal stocks. In fact considerable volumes of coal had been moved, and the Department of Energy had been in regular contact with the NCB and the CEEB. It would be necessary to consider both the constraints which had applied to coal movements, and whether there were any lessons about where coal could most usefully be stockpiled as reserves were built up again. Most of the coal moved had come from working areas. Although open cast production had continued in all areas, it had not been moved in areas where miners were on strike to avoid antagonising the Transport and General Workers Union (TGWU) whose members had been co-operative in many other areas.

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g. It would be necessary to examine the case for diversifying sources of production, and in particular of separating open cast mining activity from the NCB in order to minimise the effects of future disruption on this source of coal.

h. It had been possible to move more coal by road than had been anticipated. Some of the expected capacity and industrial relations constraints had not materialised and it might have been possible to build up road deliveries sooner, although this would have made little difference in the long run. The CEEB were rapidly reverting to merry-go-round trains for deliveries, but they were keeping some road deliveries to provide diversification, to open up competition with British Rail (BR), and out of a sense of loyalty to the hauliers who had helped them during the strike. There were however environmental constraints, and although some improvements of access to power stations had been made it might be worth investigating whether anything further should be done. There was evidence that over short distances road haulage might be cheaper than rail, and this would need to be taken into account in the forthcoming review of the contract between BR and the CEEB for the exclusive carriage of coal. The Department of Transport would provide further information. There might be a strong case for continuing some deliveries by road to establish this as a "normal" means of supply: in some areas road haulage had been regarded as "abnormal" and some coal delivered in this way has not been accepted at power stations. Although many lorry drivers carried TGWU cards they were unlikely to provide solid support to their union and could probably be relied upon to provide a service in almost any circumstances.

j. There had been a large increase in the amount of coal imported through small ports for both industrial and domestic users, but no precise information was available. The Department of Transport and the Department of Trade and Industry would attempt to establish the pattern of deliveries in more detail.

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k. The internal report being prepared by the Department of Energy would examine the relative costs of extra endurance obtained from using oil (both normally and in 'overburn'), gas, nuclear power or the Anglo-Scottish Interconnector. The physical limit on the amount of oil that might be burned had been reached early in the 1984-85 winter, although subsequently the CEGB had been able to reduce it. In some cases oilburners had been installed in power stations but for industrial relations reasons it had not been possible to use them. After an initial half-hearted attempt to picket deliveries of carbon dioxide to some nuclear power stations, there had been no serious disruption and the CEGB had been able to bring some new plant on stream. Although some reactors had been run for longer periods than planned, the statutory limits had not been exceeded. With a further nuclear power station coming on stream shortly in Scotland, an additional connector between the Scottish and English grids might well be a viable means of achieving extra endurance at a reasonable cost.

l. The CEGB's first concern must be to rebuild coal stocks. Once that had been achieved it would be appropriate to review the most cost-effective means of achieving additional endurance. There was a balance to be struck between the additional cost of storing large amounts of coal and the higher operating costs of producing extra electricity from nuclear or oilburning stations.

Physical Endurance of Industry

m. Industry had generally coped very well with the problems. They appreciated the need to maintain adequate stocks, and there was no need for any Government subsidy to encourage this. The Department of Energy would be examining whether it was desirable to continue paying grants to convert plant to coalburn.

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Law and Order

n. The Police National Reporting Centre, established in ¹⁹⁷²~~1981~~, had proved its worth. Generally the police had been able to establish control early in the dispute. Clarification by the Courts of the police's common law power to stop vehicles had been helpful. The problems arising over the relationship between Chief Constables and their police authorities were being examined in the Home Office.

p. It would be necessary to describe in the Group's report how the problems of deploying additional stipendiary magistrates had been solved, and the difficulties caused by delays in arranging Crown Court hearings, most of which stemmed from lengthy committal proceedings.

Civil Law

q. There had been considerable use made of the civil law, not least by members of the NUM. It had generally worked effectively, although the sequestrator had found difficulty in locating and achieving control over funds transferred abroad. Following the abolition of exchange controls there was no means of stopping unions transferring assets abroad - indeed it might often be financially prudent for them to do so. Some overseas courts had found difficulty in understanding the role of a sequestrator and had been reluctant to release funds to him. Nevertheless the NUM's assets had been effectively frozen. Appointing a sequestrator earlier might have reduced the flow of money to the NUM, but in practice supporters of the union had avoided the risk of sequestration by providing support either to local branches and areas or in cash. It was not clear how the NUM's wages were being paid.

r. Hardship funds had been established under independent trustees, and there was no action that could be taken against them. There was no evidence that money from the hardship funds had been used for mainstream NUM activities.

s. The 1982 Employment Act had imposed an upper limit on the amount of damages that might be awarded to avoid the risk that if unions were subject to the risk of bankruptcy they might pursue industrial action by guerrilla tactics rather than by conventional means.

Ministry of Defence (MOD) Aspects

t. MOD had not taken a high profile or found its role particularly difficult. They had provided up to 8,000 bed spaces for police, virtually the limit of what could be achieved without serious effects on military training. It had not proved necessary to consider the use of troops to move coal, thus avoiding a potentially very difficult situation. There had however been an organised campaign of disinformation mounted by the NUM, and it had taken a very great deal of effort to track down the sources and counter the rumours which had been started.

THE CHAIRMAN, summing up the discussion, said that the report should open with a perspective on the main phases of the strike, supported by an annex setting out the chronology, highlight the main features and deal then with physical endurance, law and order, and with other factors including the arrangements for co-ordination within Government, the strategy for communication between management and workers and with the public, support for the NUM from other unions, and the financial resources of strikers. Further contributions to the Group's report based on the points made in discussion should reach the Secretariat by 22 April. This new material, plus much of that already contained in the papers under discussion, would be incorporated in a draft report which would be circulated for comment. There would be a further meeting before the report was submitted to Ministers.

The Group -

1. Took note, with approval, of the Chairman's summing up of their discussion.

2. Invited the Department of Energy in consultation with the Department of Transport, Department of Trade and Industry and the Scottish Office to prepare material for the sections of the report on physical endurance; the strategy for communication between management and workers and with the public and the arrangements for co-ordination within Government.

3. Invited the Department of Transport to provide an appropriate draft to cover the relevance of the forthcoming review of the Central Electricity Generating Board - British Rail exclusive dealing contract for future arrangements for the movement of coal.

4. Invited the Department of Trade and Industry, in consultation with the Department of Transport to provide details of coal imports for industry and domestic users during the strike.

5. Instructed the Secretaries to prepare a draft report on the lines indicated in the Chairman's summing up, and circulate it for comment as quickly as possible after 22 April.

Cabinet Office

3 April 1985