

Coal strike: Walker not to intervene

PIT CLOSURES

Mr Peter Walker, Secretary of State for Energy, made clear in the Commons that he did not intend to intervene in the coal mining dispute over pit closures. He declared during question time that the events of the day had certainly shown that miners would like the opportunity of a secret ballot to express their views.

He said the management's position was clearcut in that it wanted to invest more in economic mines and cut out the burden of uneconomic pits in a civilized and generous way. It was disastrous to pretend that it was in the interests of the miners to keep uneconomic pits open.

Mr Allen McKay (Barnsley, West and Pensitone, Lab) had asked if the Secretary of State had discussed with Mr Ian MacGregor, chairman of the NCB, the statement by Mr Norman Siddall, the previous chairman, concerning the softly, softly approach to colliery closures.

Does he not realise (he went on) that the Opposition were quite correct in saying, on the appointment of Mr MacGregor, that there were far better people in the management structure of the NCB who could be chairman?

Mr Walker: He is talking about a chairman who has kept up massive investment in the coal industry, who has recently persuaded the Government to put £400m into the development of Asfordby pit and, at pits that have been closed, has offered miners alternative jobs or options of early retirement.

Sir John Osborn (Sheffield, Hallam, C): Mr MacGregor had similar experience in the steel industry to that he is facing, and that would lead him to give Mr Arthur Scargill the same advice as he gave to the leaders of the steel workers, to go slowly otherwise they will put many miners out of work with uncompetitive pits.

Mr Walker: One of the things Mr MacGregor has endeavoured to do is to improve our potentiality in other markets. In 1979 we were a net importer of coal; we are now a net exporter. The example given to us by the one socialist government in Europe is in France where, having promised the miners increased production, they have now decided to get rid of half the miners.

Mr Geoffrey Lofthouse (Pontefract and Castleford, Lab): The British Gas Corporation is expected by the turn of the century to be needing about 90 million tonnes of coal. What plans are there for the investment to provide that coal at that time?

Mr Walker: That figure is not in any projections I have received.

Mr Anthony Beaumont-Dark (Birmingham, Selly Oak, C): Is it not time the chairman of the coal board came off what has become the softly, softly approach. We cannot go on investing £800m a year in new investment if that is going to be swallowed up in continually loss-

making mines. In the end it will ruin the industry altogether and the taxpayer.

Mr Walker: Massive investment is required for good economic pits and that is happening under this Government to a greater degree than it did under the last government. We must sensibly and in a civilized way go about closures of the uneconomic pits, which is just what we are doing.

Mr Dennis Skinner (Bolsover, Lab): If he can say it is right and proper for uneconomic marginal oilfields to be exploited by advancing tax relief from this Government, and to allow marginal agriculture, hill farming to get additional subsidies in order to maximize the efficiency of those farms, surely it must be right, to ensure we have energy in the future when the oil has run out, to make sure that marginal uneconomic pits get the same kind of aid?

Mr Walker: The big difference between the tax position is that there are no taxes on the coal board because they only make losses. The taxes on the oil industry are running at more than 80 per cent.

Obviously I would be delighted if we had a coal industry which had profits we could tax at 80 per cent. As for investment, he must face the reality that this Government is investing much more in the future of the coal industry than the last Labour Government.

Mr Alistair Burt (Bury North, C): Is not the disunity in the coal fields with over half the mines working, a sure sign the miners have got the message of the Government's commitment to the industry? The mischief in this situation does not lie with the Government but with the intransigent miners' leaders?

Mr Walker: There is no doubt that many miners are well aware of the massive capital investment this Government is putting into the industry and of the generous terms put to those miners, so far over the age of 50, affected by closures.



Burt: Disunity sign from the miners

The events of today have certainly shown the miners would like the opportunity of a secret ballot to express their views.

Mr Stanley Orme, Chief Opposition spokesman on energy, (Salford, East, Lab): Has he been in touch with both sides? Does he not think

he ought to intervene - (Conservative shouts of "No") - and bring both sides together?

Does he not think that the MacGregor plan should be put on one side while meaningful discussions take place? - It is his responsibility to bring the two sides together as early as possible?

Mr Walker: No. Last week both sides met and they did decide they would prepare a number of suggestions with which they could collectively come to me and put views.

If both sides come to me with certain aspects of their policy, I would be only too pleased to see them and discuss matters with them, but certainly I am not going to intervene in what is basically a clear-cut management position of a management that wishes to invest more in economic mines and cut out the burden of uneconomic mines and do it in a civilized and generous way.

Mr Walker, in answer to a question, said the effect of the overtime ban, which was now entering its 20th week, was most severe on those imposing it.

By March 2 (he said) miners had lost £69.3m, the equivalent of more than two weeks wages for every man in the industry.

Sir William van Straubenzee (Wokingham, C): He has the total support of Conservative MPs when he indicated he was not going to interfere in management decisions.

In the present situation those decisions are based on a circumstance where, through the back door, the NUM leadership is trying to secure a national strike in respect of which it is not prepared to ballot its own membership.

Mr Walker: The potential for this industry, modernized and without the burden of uneconomic pits, will be very much to the benefit of the miners.

Mr Alexander Eadie (Midlothian, Lab): The report of the Select Committee on Energy illustrated that despite Mr MacGregor's statement to the nation that everything was going well under his chairmanship, the NCB will probably lose about £204m.

Why is it the only person who seems to support Mr MacGregor is the Prime Minister? Why does not Mr Walker come clean and say Mr MacGregor is a disaster and is plunging the industry into conflict?

Mr Walker: Contrary to being a disaster, I believe Mr MacGregor is of great benefit to the future of the mining industry. It is disastrous to pretend that it is in the interests of the miners to keep uneconomic pits open.

Mr Timothy Yeo (South Suffolk, C): Notwithstanding the remarks of Mr Tony Benn last week, there is one person in this country from whom the British coal industry does need to be saved, and that person is Mr Arthur Scargill. In that process of salvation, we are more likely to have the support of individual member, of the NUM than we are of the Opposition.

Mr Walker: It is not for me to comment on the activities of any

particular union leader. One other person the industry needs to be safeguarded from is Mr Benn.

Mr Orme: When was Mr Walker informed that the NCB had lost £135m? This was made plain in the select committee's report. Has not Mr MacGregor got it wrong? Mr Walker should have a fresh look at the situation, and the MacGregor plan should be withdrawn while this takes place.

Mr Walker: The £135m is a loss of the stocks of coal at the pithead which will not be as large as they would otherwise have been. As they are already on a massive scale, there is no great problem for the NCB. As the select committee report shows, the actual cash flow of the NCB has improved.



Eadie: MacGregor plunging industry into conflict

Mr John Dormand (Easington, Lab) on another question, said: The level of investment is at the heart of the present difficulties in the coal industry. We are constantly told there is something like £2m a day invested in the industry.

Would he comment on three aspects: That it is the lowest investment per tonne in the EEC; that it is about half the subsidy for the British agricultural industry; and that it does not even begin to meet the social consequences of pit closures on mining communities.

Mr Walker: I think he has got the figures wrong. He is mixing the total of the investment with the figure of £2m a day. That is purely capital investment in the coal industry.

In the last five years, this Government has invested £3,500m in capital investment in the industry and that compares very favourably with France which has just announced it will halve the size of its coal industry.

Mr Terry Patchett (Barnsley East, Lab): Would he agree with the statement by Mr Norman Siddall regarding the massive task of returning the industry to profitability within three years to be correct? Would he agree that the present management commitment is injuring rather than helping the situation?

Mr Walker: What I am saying is that, for example the number of closures over this last year with the many difficulties that have been created, is low compared with the number of closures under the

Labour Government when they were almost a regular feature.

In 11 years of Labour Government there were 300 pit closures whereas in the last five years under the Conservatives there have been 92 closures.

Mr Trevor Skeet (Bedfordshire, North, C): In the past 7 years we have spent £7,000m on mines which is the equivalent of receipts from taxation from the north Sea in one year. Is there not a limit to the capital expenditure and other social benefits?

Mr Walker: It is vital for this country to have a strong and successful coal industry going way into the next century. That is why Mr MacGregor has been correct to continue with a high level of capital investment, likewise he is also correct to proceed in a civilized way with the closure of uneconomic pits.

Mr Neil Hamilton (Tatton, C): Members of this House are scandalized to hear of losses of this year to which has to be added £700m to £800m for investment. Should we not accelerate pit closures to take account of this appalling blood letting and haemorrhage of a British industry?

Mr Walker: It is important that we maintain a successful coal industry for the future and we close the uneconomic pits in a civilized and generous way. Many of these pits are total communities and there are difficulties. The House should show understanding of the problems. Mr MacGregor and the coal board are doing just that.

Mr Kevin Barron (Rother Valley, Lab): How many new pits have been given permission to be opened since May 1979?

Mr Walker: I could give details of substantial investment in existing pits and enormous potential at Selby where we have invested £400m and the development at Asfordby.

Mr John Farr (Harborough, C): Will he discuss with Mr MacGregor the possibility of giving pits which are at present uneconomic to the miners on the site to operate as a co-operative?

Mr Walker: We would carefully consider any approach by miners along those lines but I have not seen any rush of miners for it.

Mr Edward Rowlands (Merthyr Tydfil and Rhymney, Lab) for the Opposition: Mr MacGregor gave evidence to the select committee that taking into account all the so-called savings of the overtime ban, the net total cost for the financial year of the overtime ban as £135m. When did the Secretary of State find out that figure?

Mr Walker: The figures of the NCB were produced a week before the select committee and given in my evidence to the select committee. We both gave that evidence. The profit and loss on the revenue account is a different factor to the cash flow. The select committee was informed by Mr MacGregor and myself that the result of the overtime ban was an improvement to the cash flow of the NCB.

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