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WHOSE PLAN FOR COAL?

Mr Stan Orme, the Shadow Energy Secretary, is to see Mr Ian MacGregor, the NCB Chairman, on Monday to explore the possibility of talks between NCB and NUM on the basis of the Plan for Coal, originally published by the Labour Government in the mid-seventies. Given the embarrassing position in which the Labour Party has found itself as a result of Mr Scargill's picketing tactics, such an initiative is understandable. It should help to present Labour with a more constructive attitude to the strike than it has been able to put forward while tagging along uncomfortably behind the Communists and the hard left, combining support for Mr Scargill with persistent criticism of the police.

The resurrection of the Plan for Coal is a diversion, however. It must be intended to portray this Government as in some way more severe on the miners than its Labour predecessor. That approach is of a piece with the general desire on the left to politicize the industrial situation within the coalfields. Thus the Government is repeatedly accused of a plan to "starve out" the miners, whereas it is the NUM which is forcing its members out on strike without either a ballot or strike pay. Moreover the tax payer, on whose behalf the Government is expected to act, is in fact doubly supporting the miners, both in the annual subsidy to the NCB which amounts to nearly £900 million, and in the provision of some, albeit austere, subsistence to miners' families to compensate them for the wage earner's decision to withhold his labour. To work or not to work must be the individual decision of each miner. He is free to take either, though both have unpleasant consequences in the rancorous circumstances of Mr Scargill's war. The one leads to intimidation, the other to privation; but in both cases the choice lies with the individual.

Because Mr Scargill has politicized this dispute there is a general tendency to react to it always in political terms. If reference to the Plan for Coal can get us back to considering the purely industrial aspect of Britain's coal, so much the better. The facts show that we have moved on from the Plan for Coal of the nineteen-seventies and that, without politics, the British coal industry would now be poised for an opportunity of great productivity and expansion on the basis of good new seams and exciting technology.

The original Plan for Coal postulated capital spending of £6.5 billion whereas the figure since 1974 is actually £650 million greater. The Conservative Government has invested £3.8 billion in coal since 1979, with approval for another £3 billion already given. Had the productivity of 4 per cent per annum, promised in the Plan for Coal, been achieved instead of a dismal 4.6 per cent for the whole ten year period, that investment might have been more profitable and the tax payer's bill less onerous. Will Mr Orme recognise that when he calls on Mr MacGregor? Will he also recognise that the Plan for Coal envisaged the NCB dispensing with between three and four million tons of its worst capacity each year, whereas less than half this target has been achieved so that the least productive tenth of the pits now in operation will cost £350 million this year in subsidies?

The twenty pits which are earmarked for closure collectively produce only one-third of the coal which the NCB expects to extract from two fully developed seams at Ashford and Selby. That is the measure of the productivity opportunity which awaits the coal industry once the closures have been completed with the loss of 20,000 jobs. That reduction will come entirely

through voluntary redundancy schemes, early retirement for the over-fifties or transfer arrangements for those miners who have to move to new pits. Their terms are unmatched in any other part of British industry. A 55 year-old miner, for instance, receives £20,000 tax free and £75 per week until he takes his occupational pension at 65. For those under 50, whose average age is 36, redundancy entitles them to £1,000 per year's service in addition to the national redundancy terms. Miners in work have also been offered a wage rise which is greater than public sector workers in the power and gas industries and would maintain mine workers' position some 25 per cent above Britain's average industrial wage.

So it is not surprising that the Coal Board this week extracted more than 700 tons of coal - the greatest in any week since the strike began - with more than 50,000 men remaining at work, again the highest figure since the start of the strike. That is the effect of Mr Scargill's attempt to achieve a strike without going through the union's normal procedures. Consequently the power stations have been able to limit the reduction of their reserves to about five per cent over the last four weeks.

There is thus much to talk about in terms of the coal industry's future which has nothing to do with politics. Since Mr Orme met Mr Scargill this week, it may be that he will be in a position on Monday to reassure Mr MacGregor that the mineworkers' leader has privately dispensed with the idea that he can use his members as shock troops in a war to bring down the Government. Sadly that is still his publicly stated intention. As long as it remains so, the vast majority of mineworkers and their industry will be denied a future that they deserve.

Whose Plan For Coal?.

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