

Coal board's offer rejected, strike may be stepped up

From Paul Routledge, Labour Editor, Sheffield

Miners' leaders yesterday rejected the National Coal Board's peace plan on pit closures and recalled their delegate conference in a move to intensify the 20-week-old strike.

The conference, on August 10, will be urged to "extend the campaign within the coalfields and outside", Mr Arthur Scargill, president of the National Union of Mineworkers, disclosed after a meeting in Sheffield of his 24-man executive.

But his curt, repeated, "no comment" to questions about a possible resumption of the peace process with the coal board heightened speculation that there could be further negotiations before the union digs in for a strike lasting into the winter.

Mr Stanley Orme, MP for Salford East and Labour's energy spokesman, has been working behind the scenes to bring the two sides together after the breakdown of talks last week. Mr Scargill yesterday insisted that he was ready for "sensible discussions" at any time.

His hard-line negotiating

position remains unchanged, however. "All the pits will have to be retained. That has not changed and it will not change. The NUM does not regard any pit as uneconomic", he said.

"We want to negotiate a solution to this problem and get Britain's miners back to work. But we want to do that on the basis that the pit closure programme is withdrawn."

The board must also take the word "beneficial" out of the draft definition of an unworkable pit, otherwise there was an "irreconcilable difference between the two sides", Mr Scargill added.

"We are not talking about a word. We are talking about a philosophy, an ideology: either we accept full scale butchery of this industry or accept that our pits and jobs are retained."

His undiminished catalogue of demands suggests that prospects for negotiations are not good, and it is not yet certain that Mr Orme's peace-making efforts will result in a joint meeting in the fortnight before the conference takes place. Mr Orme said in the Commons last night that the

gap between the two sides could be bridged.

Mr Scargill continues to insist that the Government is directly involved in the talks, citing parliamentary exchanges between Mr Alex Eadie, Labour MP for Midlothian, and Mr Giles Shaw, Under Secretary of State

Mr Shaw had "let the proverbial cat out of the bag", Mr Scargill said, by stating that the miners' union "must accept that the closure of uneconomic pits is an essential ingredient to the restructuring of the industry".

The miners' president also said that the coal board's annual report, published yesterday and disclosing a deficit of £875m, was "an unmitigated disaster".

He went on: "If I were Ian MacGregor I would be extremely concerned that my stewardship has proved so disastrous."

He sought to laugh off the threat of a drift back to work.

"The NUM leadership are as confident today as they have ever been that we will win this dispute."

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NCB insolvent, says Walker

By David Young, Energy Correspondent

The National Coal Board is insolvent and kept in operation only by Government subsidies worth the equivalent of £130 a week for each of its 243,300 employees. More than £6 is lost on every tonne of coal produced.

In its last financial year, from April 1983 to April 1984, the NCB lost £875m, £200m directly attributable to 19 weeks of the miners' overtime ban and two full weeks of strike action.

In the Commons yesterday, Mr Peter Walker, the Secretary of State for Energy said that the NCB was being kept in existence only by Government funding.

"Some £200m of the loss was

inflicted needlessly on the industry by the strike and overtime ban. The rest represents an underlying imbalance between the board's costs and revenues. A substantial part of it was caused by a relatively small number of high-cost pits", he said in a parliamentary answer.

"Total support from the taxpayer to the coal industry in 1983-84 in the form of grants to the NCB and payments to redundant mineworkers was a massive £1.3 billion.

"The results show that the NCB is insolvent. The NCB is able to carry on only because the Government is prepared to

underwrite its losses while the industry turns itself round."

The NCB losses are made up of £595m on deep-mined coal - the equivalent to a loss of £6.61 on every tonne of coal it produces. The cost of redundancies after European Community grants was £74m and interest charges accounted for £467m.

Only the NCB's open-cast mines showed a profit, £211m compared with £192m the year before. The open-cast mines are working during the present dispute.

In the previous year operating losses were £128m, interest

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charges £364m and taxation £7m to give a total of £374m.

The miners' dispute, which began at a point when production was at record levels, affected the NCB investment programme with £394m being spent on important colliery projects, and total spending on mining being £691m, compared with £826m in 1982-83.

Mr Ian MacGregor, the NCB chairman, said in a statement yesterday: "The NCB's financial performance was severely affected by the overtime ban imposed by the NUM in November and the subsequent strikes, and the major increase in subsidence costs".

"Prior to the overtime ban the industry was achieving record levels of productivity. By week 32 overall revenue output per manshift was just over 5 per cent higher than the previous year and the industry was set to achieve, for the first time, the planned annual improvement envisaged in the Plan for Coal."

The NCB report shows that the subsidence costs mentioned by Mr MacGregor added £113m to the NCB losses, almost half that directly attributable to industrial action at £212m.

Mr MacGregor said yesterday that although the financial results indicated the scale of the problem facing the NCB the underlying trends were encouraging.

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Mr Walker: £1.3 billion in support by the taxpayer.

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From Paul Routledge, Labour Editor.

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