24

PRIME MINISTER

SUBJECT FLUSD ON.
NAT IND: Coal Pt 11

MISC 101(84)34th Meeting

COAL

You will wish briefly to take stock of events of the past three weeks. I understand that the Department of Energy will be circulating a fuller version than usual of the report which has been prepared daily during August: this will provide useful background. You will wish to hear from:

i. Parliamentary Under-Secretary of State for Energy

- on production and endurance;
- on the drift back to work and the NCB's tactics for increasing it;
- on what was involved in the "Stan Orme" compromise proposal which was presented on 2 August and featured in a televised debate between Mr MacGregor and Mr Scargill on 22 August; and
- on the prospects, if any, for renewed negotiations between the NUM and the Board.

ii. The Home Secretary

- on public order; and
- on the rate of prosecutions.

iii. The Secretary of State for Transport

- on coal traffic (which is set to show the best weekly total for some time, comfortably over 150 coal trains - though this comes after a thin period and at a time when sendings-home remain high);
- on discussions which have taken place between the British Rail Board and the rail unions aimed at avoiding the industrial action planned

for next month.

iv. The Secretary of State for Employment

- on recent court action by working miners and others against the strike; and
- on the prospects for the TUC Conference (the statement made yesterday by 14 unions condemning Mr MacGregor and calling for the resumption of negotiations may have a tactical significance in providing a presentable public stance for unions on the left wishing the TUC to back the miners' demand for total support, and in associating unions in the centre including NALGO, whose votes, it is thought, may be crucial with the harder, pro-strike line).

THE DOCKS

- 2. You will want to take stock generally of events over the weekend and to consider whether, as in July, it would be appropriate to ask the Secretary of State for Transport to arrange for a daily interdepartmental meeting, on the coal model, under his chairmanship; and to ask the Secretary of State for Employment, as before, to take on the job of co-ordinating the Government's public line across the two disputes. You will want to ask the Secretaries of State to report
 - on the response to the strike call by TGWU members
 - a. in scheme ports; and
 - b. elsewhere;
 - on whether the strike is thought to be sustainable;
 and on the terms being demanded by the TGWU for calling it off; and

- on any legal action in connection with the strike being contemplated by the British Steel Corporation or others.
- 3. Whichever Treasury Minister attends will no doubt report on any effect of the strike on the pound and the financial markets.

TIMING

4. We have made provisional arrangements for a meeting of the Group on Thursday 30 August at 11.30: you will want to consider at the end of Tuesday's meeting whether to meet again in the course of the week, bearing in mind that the next meeting definitely arranged is on Tuesday 4 September, after the TUC debate on the miners' resolution, which is down for discussion on Monday 3 September.

J F STOKER

24 August 1984

