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PRIME MINISTER

NACODS OVERTIME BAN

Peter Walker's office have phoned through the following report. Mr. Cowan and Mr. Eaton met Mr. McNestry and Mr. Sampey. They have reached an agreement which will permit NACODS to call off its overtime ban from tonight. This will be announced tomorrow when branches have been informed though it will quite likely leak before then.

Before the meeting the Board had agreed to withdraw the 27 March letter and had agreed that all closures should go through the review procedure. The following further points have been agreed.

- (i) The actions taken by the Board to date would be regarded as a fait accompli, eg progressive closure of Horden and Bates collieries will be allowed to proceed.
- (ii) There would be a general form of words recognising that uneconomic pits must close in the interests of the industry.
- (iii) The Board will lift its action on denying bonuses and will pay back any bonuses withheld so far.
- (iv) On the so-called status quo agreement, the Board has agreed that there will be no substantial reduction of manpower once a closure has been signalled though a limited run-down will be allowed where the other unions are not opposing the closure. For NACODS this means that the Board will not pre-empt the review procedure by taking all the men out before the process is complete and for the Board this means that opposition by NACODS will not prevent men in other unions from applying for redundancy or transfers.

4 June 1985

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