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Ref. A085/3037

PRIME MINISTERSecond Report on Lessons of the Miners' Strike

You asked the Official Group on Coal (MISC 57) to review in October progress in implementing recommendations in areas other than physical endurance that were identified for follow-up action in their first report (MISC 57(85) 9). The review has been --- carried out and a second report prepared, which I now attach.

2. The report contains:

a. a brief summary of the decisions about physical endurance made at your meeting with the Chancellor and Secretaries of State for Energy and Scotland on 24 July - paragraphs 3 and 4;

b. an account of progress made on protecting local NUM autonomy, the transfer of miners subject to intimidation, pay incentives, weakening the monopoly of NACODS and maximising the contribution of opencast coal - paragraphs 5-7;

c. details of the current position in relation to law and order matters - paragraphs 8-10;

d. a description of progress on a number of miscellaneous points some of which must await the outcome of work in other fields before firm conclusions can be reached.

3. A further meeting of those Ministers most directly concerned with physical endurance is to be arranged next month. You may consider that it is not necessary to have a meeting to



discuss the other matters covered in this report and it would be helpful if other Ministers who have been sent copies would let your office know, as soon as possible, whether they are content to endorse the conclusion in paragraph 15.

4. I am sending copies of this minute and the attached report to the Lord President, Secretary of State for Trade and Industry, Chancellor of the Exchequer, the Home Secretary, Secretaries of State for Energy, Defence, Scotland and Wales, the Chancellor of the Duchy of Lancaster, Secretaries of State for Transport and Employment and the Attorney General.

REA

ROBERT ARMSTRONG

25 November 1985

NOTE

The circulation of this document has been restricted. Recipients are accordingly asked to ensure that the secrecy of its contents and the need to know principle is strictly observed.

SECOND REPORT ON LESSONS OF THE MINERS' STRIKE

INTRODUCTION

1. In June 1985 Ministers endorsed the specific points for follow-up action in the report by officials identifying the lessons of the 1984/85 miners' strike (Misc 57(85)9). The Prime Minister requested the Official Group on Coal to review progress on implementing the recommendations of the report, other than those concerned directly with physical endurance which were to be dealt with separately. The purpose of this note is to report the outcome of the review requested by the Prime Minister.

2. For convenience this report will address topics in the same order in which they were addressed in the first report. Paragraph references are, unless indicated otherwise, to relevant paragraphs of the first report.

PHYSICAL ENDURANCE (paragraph 2.10i)

3. At a meeting in July 1985 of Ministers most directly concerned it was decided that power station coal stock levels should be restored to 23m tonnes by October (to give some six months endurance) with deliveries being maintained at a maximum rate throughout the winter of 1985/86 to provide a stock level of some 22m tonnes by the end of March 1986. The question of coal stock levels after March 1986 is to be considered towards the end of the year, by which time a number of financial aspects would have been examined further. It was also decided that:

- a. further expansion of the capacity of the Scottish Interconnector should not be pursued at present;
- b. care would need to be taken over the timing of two year rolling contracts for full utilisation of the French Interconnector;
- c. Central Electricity Generating Board (CEGB) plans to improve the flexibility of switching from coal to oil and for widening the scope of what would be considered normal working should be approved, whilst at the same time it was noted that there was little scope for increasing oil storage capacity;

d. advantage should be taken of the January 1986 review of the agreement between the CEGB and British Rail (BR) on rail delivery of coal to power stations to establish some road deliveries as part of normal working.

4. In the event the coal restocking programme has proceeded smoothly and successfully. While falling slightly short of the target for the end of October, stocks at CEGB power stations at the end of the first week in November were some 23.0m tonnes with a further 1.8m tonnes in Scotland. The CEGB and the NCB are finalising the detailed winter supply programme and no difficulties are seen at present in being able to meet the stock target of 22m tonnes at the end of March 1986.

PHYSICAL ENDURANCE (paragraph 2.10ii)

5. Protecting Local NUM Autonomy

a. New Unions

i. The National Union of Mineworkers (NUM) accepted a new rule book at their Delegate Conference in July; the following day Notts Area officials decided to leave the NUM. Nottinghamshire, South Derbyshire and the Colliery Trades and Allied Workers Association (a small group of men expelled by the NUM in Durham) have now each balloted on whether to break away from the NUM. Results in Nottingham and the CTAWA were heavily in favour of leaving the NUM. In South Derbyshire, however, the vote in favour was by a majority of only 26 votes.

ii. The legal process of setting up the new Union of Democratic Mine Workers (UDM), following the ballots, should be complete before the end of the year. Agecroft colliery in Lancashire and Daw Mill in Warwickshire have voted by large majorities to join the UDM and other pits in these areas are to ballot. There is also now an active pro-UDM organisation in Scotland, and a number of branches of COSA, the white collar section of the NUM, have also expressed interest. The executive of COSA had earlier decided against breaking away after receiving assurances from the NUM that, under the new rules, a constituent association cannot be ordered to take strike action by the National Executive Council in contravention of the rules or policy of the constituent association. Mr Roy Lynk, the General Secretary of the UDM in Nottinghamshire,

has said the union has received thousands of individual applications for membership.

iv. The NCB have recognised the new union and have had wage negotiations with Nottinghamshire and South Derby. The NUM have sought to refer to the industry's National Reference Tribunal the Board's approach of negotiating separate wage settlements with the NUM and the UDM. The NRT met on 12 November and concluded that they had no jurisdiction in the matter; the industry's conciliation scheme assumes the existence of only one union. The Board recognise that the present machinery may now not be appropriate and intend to open formal consultation on change with all concerned once the UDM is registered. The TUC maintain their position of refusing to affiliate the UDM, although when the NUM executive met the TUC on 6 November, they were told that the TUC believe the UDM to be solidly based, with scope for expansion. Roy Lynk, General Secretary designate of the UDM, has pointed out that the UDM has not sought affiliation to the TUC or the Labour Party.

b. Transfers

i. The NCB have for the most part resisted calls for the wholesale transfer of working miners away from militant areas. There was a considerable amount of intimidation of working miners in the immediate post-strike period, and the public found the Board's policy difficult to understand. Public presentation of the policy made two main points: the large scale transfer of moderates would have shown the tactics of intimidation to have been successful; and there was simply not room in moderate pits to accommodate all those who, in the first days after the strike, had requested transfers. A further reason, unpublicised, was the antagonism in moderate areas towards transferees, many of whom had returned to work for financial rather than ideological reasons, and who would be taking jobs that moderates believed should rightfully go to their sons.

ii. The incidence of intimidation dropped rapidly within a fairly short time; and for the remaining hard core of cases the Board eventually arranged suitable transfers. However, there is evidence of continuing dissatisfaction in some areas. It is probable that the

perception of the way men have been treated may have the effect in any future dispute of discouraging men outside the traditionally moderate areas from crossing picket lines.

c. Pay Incentives

The NCB have offered the UDM an increase in grade rates of £5.50 a week and an increase of 50p a shift in the basic level of incentive bonus. The Notts area voted on 8 November to accept this offer together with a 30p/shift bonus for attendance between 1 April 1984 and 31 October 1985. The Board have also indicated to the UDM that they have it in mind to introduce improved bonus arrangements for both production and non-production workers; these indications do not form part of the Board's formal offer. They intend to offer the NUM, in respect of areas outside Notts and South Derby, the same increase in the basic level of incentive bonus, but have first sought from the union a written undertaking on union cooperation in improving productivity. The NUM are putting the proposal to their areas for consultation. The Board have not decided whether they will offer the NUM an improvement in grade rates; if they do, it is likely to be rather less favourable than the offer to the UDM (probably a percentage increase, subject to a maximum of £5.50 a week). The Board do not intend to say anything to the NUM at this stage about improved bonus arrangements similar to those which they have indicated to the UDM. The Board's tactics appear to be aimed at giving some preference to the UDM but without making such a sharp distinction between them and the NUM as to provide a foundation for charges of vindictiveness.

d. Conclusion

i. For the short term, the main weapon against militancy is the lack of enthusiasm among NUM members for further industrial action. Many of the pit closures proposed by the Board since the end of the strike have been achieved by simple agreement with unions locally; even traditionally militant areas have shown little heart for resistance, and opposition has been left to local authorities. Since the end of the strike 17 pits have closed and 4 pairs of pits have merged, all by agreement with the unions locally. A further 4 closures and one merger are at various stages in the Colliery Review Procedure. By contrast, the speed of closures over recent years can be deduced from the number of collieries at the end of each financial year:

1973/74	259		
1978/79	223	- 36	closures (over 5 years)
1979/80	219	- 4	"
1980/81	211	- 8	"
1981/82	200	- 11	"
1982/83	191	- 9	"
1983/84	170	- 21	"
1984/85	169	- 1	"

ii. In the medium term the greatest influence on militancy will be the outcome of the various moves towards breakaway unions. Department of Energy officials are in close touch with the Board over these developments; ballots are still continuing at various pits/areas. For the moment the Board are doing their best to foster the UDM by reaching early pay settlements with them.

iii. Restructuring of performance incentives is a much longer term strategy, but holds considerable promise for countering militancy in the coalfields.

6. Weakening the Monopoly of the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS)

At present deputies (virtually all of whom are members of NACODS), as well as managers, have statutory duties concerning health and safety underground and regulations provide for the formal qualifications they must have before they are competent to perform them. The NCB are putting proposals to the Mines Qualification Board with the intention of widening the base from which the necessary competence can be secured and have also begun discussions with the Mines and Quarries Inspectorate of the Health and Safety Executive on the possibility of changes to regulations to lessen the monopoly power which NACODS can exert. The Inspectorate has already developed a major programme for the modernisation and reform of all safety legislation concerning mines, has begun formal consultations on some aspects of it, readily recognises that the statutory responsibilities of mine management is central to a new legislative framework and that changes need to be made. The complexity of the reform programme and the need for statutory, formal consultations on detailed proposals as they are framed does, however, mean that major legislative change is unlikely in this area before early 1988. The NCB have, however, developed ideas for earlier changes which they intend to discuss with the Inspectorate.

7. Maximising the Contribution of Opencast Coal in a Future Dispute

a. The 1984/85 strike highlighted a number of problems in maximising the benefit available from opencast sites, which continued working throughout:

(i) in some cases planning conditions specified rail movement of coal, and local authorities would not allow road transport, even when rail transport was unavailable;

(ii) even in those areas where the planning conditions permitted the use of alternative transport "in cases of emergency", it was difficult to use road transport because Ministers and the NCB were reluctant to admit the existence of an emergency;

(iii) it was considered too provocative to move stocks from opencast sites in militant NUM areas.

b. The Departments of Energy and Environment have considered the problems described at (i) and (ii) above and have concluded that it would be possible in principle, within existing planning legislation, to phrase future planning consents to that alternative forms of transport may be used and to vary the nine existing planning consents to which restrictions apply. The Opencast Executive are considering the matter and a meeting with D/Energy officials is in prospect to agree the best way to proceed.

c. In the event of future industrial action, there would probably be little scope for improvement in (iii) unless there was considerably less coal movement from other sources, or the political judgements were different.

LAW AND ORDER (paragraph 3.31)

8. It is intended, in the impending Public Order Bill, to replace, in England and Wales, the existing common law offence of riot with a more restrictive, but more clearly defined, statutory one; and to provide that riot charges will require

the consent of the Director of Public Prosecutions. When the Crown Prosecution Service is established it will be for that Service, rather than the police, to decide whether to proceed with charges once brought. These changes should help to ensure that there is no recurrence of the fiasco of the recent riot trials; many were charged with riot in the course of the miners' dispute but none was convicted. (It should be noted that after the disorders in St Paul's, Bristol, in April 1980 twelve people were charged with riot, but eight were acquitted and the jury failed to agree verdicts on the remaining four. No one was charged with riot after the more widespread disturbances in 1981.)

9. The study groups set up by the Association of Chief Police Officers (ACPO) to consider the policing lessons to be learned from the dispute have now completed their tasks. They have drawn on reports made by individual chief constables. The numerous recommendations of the study groups are mainly on points of detail (for example on tactics and equipment) and will be considered in the normal way by ACPO and the Home Office. Similar reviews were not carried out in Scotland where police operations were conducted in a markedly different way, but the Association of Chief Police Officers (Scotland) have arranged to be kept closely informed of the outcome of the reviews carried out in England and Wales. The local authority associations have been mainly concerned with financial matters and the constitutional position of police authorities. Their views are being discussed by the Police Advisory Board under the Home Secretary's chairmanship.

10. Magistrates Courts

From an early stage in the miners' strike Lord Chancellor's Department officials encouraged the magistrates' courts affected to ask the Lord Chancellor for the appointment of an acting stipendiary magistrate if an insufficiency of justices was likely to be a cause of delay in the disposal of cases. It was several weeks after the initial approach to the courts before they decided that acting stipendiary magistrates were needed. Appointments were then made as requested. The Lord Chancellor's Department maintains an expanding list of practitioners, justices' clerks, retired stipendiary magistrates and others who are qualified and suitable for appointment as acting stipendiary magistrates, and together with the 60 or so full-time stipendiary magistrates currently serving in England and Wales there is a sufficient number to provide an adequate level of professional support to lay benches if a similar situation develops in future. Delays did not arise solely because of a shortage of magistrates; there were some problems over

the availability of courts clerks and courtrooms and many of the cases require a lengthy time for defence and prosecution preparation.

OTHER FACTORS (paragraph 4.24)

11. Assistance with Mortgage Interest Payments

As part of the measures arising from the Social Security Review, Ministers have agreed that negotiations should take place with the building societies to restrict, as from autumn 1986, assistance with mortgage interest payments in supplementary benefit cases. Although this measure would not specifically refer to strikers it should go some way towards dealing with the problem identified.

(Fl-fowler is) course now intending to give some help in the first

12. Strike Ballot Provisions of the 1984 Trades Union Act

*six months, whereas
the earlier proposal was
one.)*

In commenting on the first report the Attorney General drew attention to the confusion and problems that might arise when more than one issue featured on strike ballot papers - quoting the example of the NACODS ballot in September 1984. The Department of Employment monitors strike ballots under the 1984 Act and has come across no other example where it might be suggested that majority for industrial action was secured only by such possible confusion. The Department continues to review the strike ballot provisions, which have been in operation for only 12 months and are generally considered to be working well and to good effect, with the Attorney General's concern in mind.

13. Financial Assistance to Strikers from Local Authorities

It is expected that the Widdicombe Inquiry into Local Government procedures and practices will report on matters relevant to local authorities scope for providing financial assistance to strikers and their families in late spring 1986.

14. The Use of Authoritative Public Spokesmen and Improvement of Channels of Communication with Work-forces

Departments concerned (Energy, Transport, Environment and Trade and Industry) have all reported that their public sector industries are aware of these lessons and are planning accordingly. Specifically:

a. The NCB have advised Area Managements to invite some union members, as well as officials, to consultative meetings and to make use of letters to individual employees rather than rely solely on union channels of communication. Courses at the NCB Staff College are now placing emphasis on the need for effective communication with all levels of the workforce.

b. The appointment of an authoritative spokesman by BR during the 1985 summer dispute with the National Union of Railwaymen (NUR) seemed to play an important role in putting the facts of the dispute clearly before the general public and the NUR members; the latter subsequently voted to reject strike action. BR have developed methods of communicating with their workforce, that do not rely on union channels, which were used effectively during both the miners' strike and the summer 1985 dispute.

c. The British Steel Corporation already use the Board's internal newspaper and letters to individual workers (mostly from local levels of management) to provide direct communication with their workforce, the effectiveness of which is greatly enhanced by pay and industrial relations matters being largely dealt with at local level.

d. The Post Office have earmarked two potential spokesmen at national level (The Chairman and the Board Member for Industrial Relations) and intend to rely on Head Postmasters as first line spokesmen in the event of a purely local dispute. A great variety of channels of communication with the workforce are currently employed - it is believed successfully.

e. The Water Authorities Association plan to employ two spokesmen in the event of future disputes, one to deal with all aspects of the causes of the dispute and the other to deal with the effects of the dispute on the public and other water users. The best method of effective communication between management and their workforce will be decided by the ten water authorities and twentyeight water companies that make up the industry - advised and encouraged by the Association.

CONCLUSION

15. Ministers are invited to:

- a. Take note of the follow-up action, taken and in hand, to take advantage of the lessons of the 1984/85 miners' strike;
- b. Agree that the Official Group on Coal should continue to monitor progress and report as necessary.



Resolved,

That this House takes note of the Ministry of Agriculture, Fisheries and Food's unnumbered explanatory memorandum dated 26th June 1985 on health and animal health problems affecting intra-community trade in heat-treated milk; endorses the view that trade in heat-treated milk should be subject to a Community regime in order to protect human and animal health; and therefore welcomes Council Directive No. 85/397/EEC of 5th August 1985 on health and animal health problems affecting intra-community trade in heat-treated milk.

Redundant Mineworkers' Payment Scheme

Motion made, and Question proposed, That this House do now adjourn.—[*Mr. Neubert.*]

11.42 pm

Mrs. Edwina Currie (Derbyshire, South): In my constituency I have one pit employing about 1,000 men, the central National Coal Board workshops at Swadlincote with over 200, and the internationally famous Mining Research and Development Establishment at Stanhope Bretby, with its associated test site at Swadlincote nearby. I can say that I have the brainiest miners in the country. The Mining Research and Development Establishment employs nearly 1,000 people, of whom approximately one third are industrial staff. My concern tonight is that they do not appear to be entitled to benefit from the Redundant Mineworkers' Payments Scheme as set out in Statutory Instrument 1984 (457) and other statutory instruments.

My hon. Friend is acquainted with the first class work at Bretby, and I believe that that was one of the first visits he made in September 1984 following his appointment as a Minister. He knows the details of the excellent work it is doing, for example, on dust control. It has just won the Queen's Award to Industry for the fourth time for its work on dust control. It has worked on MINOS, the system of electronic monitoring which has recently been installed at all the pits at Selby, on rapid improvements in coal carrying, on tunnelling, on coal preparation, on reduction of sulphur, and on research into acid rain. Development work is being done for the Chinese, and so on. There is a wide range of work being done there.

This nation owes a considerable debt to the work force there for, like their colleagues at the local pits, they worked throughout the strike and kept the midlands pits going. They have yet again enhanced the reputation of south Derbyshire people by their common sense and coolness in the face of considerable pressure. I am proud indeed to represent them all.

The work done by the industrial staff is to back up the scientists and engineers. Their job is to set up the rigs, to install them. This often involves underground working, and many of them have substantial underground experience. They are frequently working in dangerous or unpleasant circumstances underground—for example, on development work—or where there has been an accident or a stoppage of machinery. Any idea that they are just office or laboratory staff is a load of nonsense. They work alongside colliers underground, and they always have done. More important, their work is required because there are mines in this country, and for no other reason. If we had no mines, we would need no MRDE. All its other work is extra—a bonus and a tribute to its excellent work for our local pit men.

The RMPS has enhanced payments for National Coal Board employees made redundant as pits and ancillary locations close. It has gone through several variations and is currently the most generous redundancy scheme on offer in the United Kingdom. Men can leave with more than £30,000 in their pockets. The scheme was supported by Conservative Members, even though we are spending an awful lot of public money. I think that by the end of this year it will be about £1 billion on RMPS alone. We were conscious that many pits had to close and that they were

[Mrs. Edwina Currie]

frequently in areas where finding another job would be difficult. Such a sum for a man in his fifties facing a decade on the dole is not really so great. As a result, there has been a large number of voluntary redundancies—I think almost 30,000—and it has been the Government's proud boast that no one has been made compulsorily redundant from this industry.

To obtain payment, a man has to fulfil three conditions. First, he must be redundant; secondly, he must work at a prescribed pit under the Act; and thirdly, his redundancy must have been the result of the closure of a pit or coking plant. During my inquiries I have been told repeatedly that MRDE is not a prescribed place under the statutory instrument. There is a long list of odd prescribed places, which includes such places as area offices and establishments, ambulance stations, coal laboratories, training centres, water works, timber impregnation plants, workshops, stores and plant pool depots, and even the granaries for the foodstuffs for the pit ponies. It appears that the pit ponies can obtain RMPS, but not my constituents.

The workshops at Swadlincote are clearly included, but the problem is that no redundancies have been offered. Although the men would like to leave with enhanced terms, there are some 50 vacancies, so the NCB's answer is no. I am repeatedly told that MRDE is not included. I cannot understand why it does not come under headquarters, but I have been told that that is not the case. I understand that the exclusion goes back to the 1947 Act when the NCB was created, but no one seems to know why.

If the third condition is the problem—that the payment is dependent on colliery closures—I say to my hon. Friend that if there are fewer collieries, there is less work for MRDE to do. That is axiomatic. In any case, the pressure of the costs of closures is causing pressure on the finances of MRDE, and that is now precipitating an urgent problem.

One result is that the vacancies at the workshops and any vacancies that come up at MRDE are proving very difficult to fill. The men, understandably, are reluctant to move from the pits that are closing—for example at Measham—to an establishment where the enhanced payments are not available. They feel that they are giving up large amounts of money and yet may still face redundancy at some point in the future. Therefore, they are refusing to go, the vacancies are there, and the position is not satisfactory.

Nor is it as if my constituents are very well paid. If they were, I would expect them to look after themselves. A standard week for a craftsman at the test site results in him bringing home about £106. I have seen pay slips with that figure. Permitted overtime is only four hours a month and they have to work long hours to collect £140 to £150 a week after stoppages. I should point out that the staff at MRDE have an enhancement scheme, much of which they pay for. This sort of thing really rankles with those who do not have that scheme.

Until recently, the question was a little academic at MRDE because the men wanted early retirement—one third of them are over 55—but they wanted it with enhancement. However, no one faced real redundancy so they did not fulfil even the first condition of the three that I set out. In the last couple of months, however, that has

changed. MRDE, the Swadlincote test sites and the workshops have come under one management. The workshops are likely to be sold and MRDE is likely to be enforced to pay its way. More than 100 industrials are likely to be moved from Bretby to Swadlincote, and we have been told that there will probably be redundancies. Yet the men concerned are still excluded from RMPS.

I think that MRDE is a prescribed place. The changes there are, at least in part, the result of pit closures, and now I have people who will be made redundant. They face redundancy with only the statutory redundancy payments. I think they are being forgotten and left out simply because of an oversight from some 40 years ago.

Who will volunteer for redundancy on that basis? We may well see in my constituency the only compulsory redundancies in the whole of the National Coal Board. The men are well within their rights to refuse voluntary retirement on that basis.

Mr. Terry Patchett (Barnsley, East): The hon. Member was warned about it.

Mrs. Currie: Does the hon. Gentleman wish to say something? I will give way.

Mr. Alexander Eadie (Midlothian): Perhaps the hon. Lady will give way to me. I have been listening to the figures which the hon. Lady has been giving to the House. I know that she would not want to mislead the House, although she is arguing her case very well. I got information this morning from John Whitby to the effect that Mr. G. Knight, head of the research and development centre at Bretby, called a meeting of the scientific and engineering staff, told them that in the coming year there will be a reduction in staff from 234 to 198 and announced cuts in expenditure from £18.6 million to £12.2 million. Those are not the figures that the hon. Lady has presented to the House.

Mrs. Currie: I am grateful to the hon. Gentleman. He may also be aware that that may not be the end of the story, because our understanding is that MRDE will be required to break even in the near future. The figures he has mentioned are not at the break even point.

I want to make it clear, particularly to Opposition Members, that in my area it is not a party political matter. I am sure we share the same concern. We welcome some of the changes because the concentration of research and development and workshops in Swadlincote and Bretby is a major tribute to the quality of the work that they have been doing. Whereas workshops have been closing all over the country, I think that ours will be augmented and that I am likely to continue representing the brainiest miners for a very long time. That is a vote of confidence in our work force.

I understand that management would like to let quite a few of the men go, perhaps more than necessary, and take on juveniles. That might be a good thing. Many of my constituents have worked in the industry for 30 or 40 years at MRDE or have ended up there. Men are willing to retire. We have exactly the same problems in my area as there are everywhere else in finding jobs for young people. We need to bring down the average age of the people who are working in those establishments.

My right hon. Friend the Secretary of State for Energy and I have been exchanging letters on the subject for nine months and have been getting no further. If my

interpretation of the law is correct, will my hon. Friend admit that it is an anomaly and perhaps consult the NCB chairman, whichever one it is, with a view to seeing whether we cannot look after my constituents better? If it will take primary legislation to put the matter right, can he ensure that it is done promptly? I am sure that Opposition Members agree that it could be done in the House in 10 minutes flat.

My concern is solely about an injustice to my constituents which may cause real hardship. It is now a matter of urgency and I ask my hon. Friend to see what he can do to put it right.

11.52 pm

The Parliamentary Under-Secretary of State for Energy (Mr. David Hunt): I am grateful to my hon. Friend the Member for Derbyshire, South (Mrs. Currie) for raising this important issue. One of the most significant features of the last general election was the entry into the House of a substantial number of Conservative Members representing a large proportion of the mining industry. Since then, my hon. Friend has distinguished herself by strong and consistent advocacy on behalf of her mining constituents, as has my hon. Friend the Member for Sherwood (Mr. Stewart), whom I am pleased to see here tonight. This is a further instance of the constant pressure which my hon. Friend the Member for Derbyshire, South brings to bear on behalf of her constituents. I acknowledge that.

I also have great pleasure in acknowledging the importance of Bretby. This was one of the first visits that I made following my appointment as Parliamentary Under-Secretary. I was very impressed by the work that I saw being carried out there. There is no doubt that this establishment has a world reputation second to none and has forged a partnership with the mining equipment industry which is outstanding in its effect and impact on new technology and techniques, in particular in long wall mining.

I had the opportunity a few weeks ago to visit Australia and to see for myself some of this modern equipment underground. There, 80 per cent. of all new long wall orders are won by British mining equipment companies. Also a few weeks ago, I saw similar equipment being used in Hungary. I had the opportunity to talk to a Trade and Industry Minister in Japan, and he acknowledged that the partnership between Bretby and the mining equipment industry had given British companies a world lead in this important field.

I endorse what my hon. Friend said about the courage of her constituents. In the comparative quiet of the Chamber tonight, it is easy to forget the scenes of violence and intimidation last year when there were many individual acts of courage by miners in her constituency. They fought, not only for the right to work, but for the future of their industry, and we must never forget, as my hon. Friend termed it, their commonsense and coolness.

As the coal industry goes through this period of restructuring and looks ahead to the future, I believe, as I have said many times from this Dispatch Box, that coal has a positive future and that although there will be difficulties, I have no doubt that, with the spirit of the work force and the tremendous advances now being made in productivity, those difficulties will be overcome and that the long-term future for coal is one of expansion and not contraction.

Tonight we are considering the scope of the redundant mineworkers payments scheme, who is eligible for benefit and who is not, and first I shall recall the origins of the scheme. It was in the Coal Industry Act 1967 that the power to make schemes was originally introduced. The present scheme derives from the Coal Industry Act 1977, as amended.

My hon. Friend referred to the legislation. It reflects a recognition by successive Governments that in the circumstances of the coal industry, where pits which have been the mainstay of relatively isolated communities may need to close, bringing to an end the jobs of men who may have spent nearly a lifetime in the industry, there is a need to ensure that more than usually generous redundancy benefits are available.

The scheme has made available benefits beyond those which the NCB could itself be expected to finance and has enabled the board to maintain its policy of not making compulsorily redundant men who wish to stay in the industry. Despite what is happening throughout the industry, there is still no reason to expect any compulsory redundancies to take place.

The primary legislation lays down the fundamental requirements which any scheme must meet, and thus section 7 of the Coal Industry Act 1977 makes it clear that for a mineworker to be eligible for benefit, his redundancy must be in consequence of the closure of a mine, the reduction in the number of persons employed there or the consequent reduction in ancillary services. These requirements are repeated in the secondary legislation, which details the benefits available to men whose redundancy date falls between dates specified.

I shall draw to the attention of the House certain features of those requirements. They do not, and never were intended to, cover all those affected by job losses as a result of restructuring in the coal industry. There are many people in the industry whose jobs may end but who would never meet these conditions. For example, all non-industrial grades fall outside the scheme. Equally, the conditions are not linked to membership of any particular union, and the scheme is intended to cover only those people in industrial grades whose jobs go as a direct consequence of pit closures and related manpower reductions, and who therefore fall within the original *raison d'être* for introducing a special state-funded benefit scheme.

This is not to say anything about the redundancy terms which are or should be available to those in the coal industry whose jobs end but who fail to qualify for RMPS. That is a matter between those affected and their employer, as for employees in other industries. Rather it is to say, as successive Governments have accepted, that only in the special circumstances which the scheme was originally introduced to cover are the differences between the coal mining industry and other industries which may equally be faced with a need for restructuring sufficient to justify special state provision at the taxpayers' expense.

My hon. Friend has explained eloquently why she believes that some of her constituents, industrial workers at the NCB's former mining research and development establishment, now known as headquarters technical department, should be eligible for voluntary redundancy on RMPS terms. Either her constituents' jobs are ending as a direct consequence of closures or manpower reductions at collieries or they are not. There is no question

[Mr. David Hunt]

of her constituents having been arbitrarily excluded from receiving benefits simply because they work at the former mining research and development establishment.

As my hon. Friend knows, the former mining research and development establishment is a "prescribed place" under the 1984 RMPS order and therefore her constituents are, in principle, covered. Equally, they must meet the same requirements as apply to all others if they are to qualify, and their circumstances have to be judged individually against the relevant criteria.

I make no blanket judgment against my hon. Friend's constituents. I observe only that certain mining research and development programmes are ending and that the contraction of effort in this area is not sufficient to show that the jobs are going as a consequence of the closure of pits or job losses at pits.

My hon. Friend knows that industrial staff at the former mining research and development establishment are employed on three main types of work: first, making prototype machines and other equipment in a specialist workshop at the establishment; secondly, maintaining the establishment sites at Stanhope, Bretby and its satellite some four miles away at Swadlincote; and, thirdly, on setting up and carrying out tests on large-scale mining equipment underground at collieries, on the surface and in partially simulated underground conditions.

The number of men engaged on this type of work was increased considerably during the 1970s when a number of programmes were introduced, for example, in relation to the use of improved automatic monitoring and control equipment. Many of them have now been completed or are nearing completion. As a result, the work available is now declining as the board's research and development programmes are adjusted to meet the future needs of the industry, but whether the resulting job losses fall within the terms of the statutory redundant mineworkers payments scheme is a matter of law, not of my discretion. I have no discretion in this area.

Nor are we talking here about some technical amendment to the current RMPS order to rectify an anomaly. Rather, to the extent that my hon. Friend is seeking some general guarantee that her constituents at the former mining research and development establishment will be eligible for benefits under the RMPS, she is asking for a Bill to be introduced to change the fundamental basis of the scheme from that which has been accepted by Parliament for the past 18 years.

It is inevitable that under any scheme determined by legislation there will be some cases that just fail to qualify and some that just qualify. It is equally clear, however, that in any scheme of statutory benefits the class of those entitled must be tied as closely as possible to the underlying intention behind the legislation if the Exchequer is to be properly protected. The more generous the benefits, the more important it is that there should be a clear and proper basis for determining who may benefit.

I remind the House that when the redundant mineworkers payments scheme was first introduced in July 1968, only men aged 55 or over on redundancy were entitled to benefits not exceeding £14.25 per week for up to three years. The first major improvement came in 1973, when three new benefits were introduced: first, a lump benefit for men made redundant between 35 and 55; secondly, a sum equivalent to the prevailing rate of

unemployment benefit following exhaustion of unemployment benefit to age 65, and thirdly Government reimbursement to the NCB of the costs of continuing to provide concessionary coal to redundants.

After a number of years in which only minor improvements were made, in 1980 the lump sum payments were improved and the qualifying age for those payments reduced from 35 to 21. In 1981 the maximum period for payment of basic weekly benefit was extended from three to five years, a lump sum benefit additional to weekly benefit was introduced for men aged 55 to 59 and the lump sum payments to men aged 21 to 54 were further improved. In 1983, weekly benefits, in the form of a pension supplement and unemployment benefit equivalent were introduced for men aged 50 to 54 and further improvements were made to the lump sum payments for those aged between 26 and 46. Finally, in 1984, there was a further substantial improvement in lump sums to men aged 21 to 49, based on £1,000 per year of service.

We now have possibly the most generous scheme that has ever been seen in this country or in the Community. My hon. Friend was right to refer to that. I make no apology for it, as I believe that men who spend a lifetime in the mining industry deserve these payments, particularly those who work at the coal face. My hon. Friend asked about her constituents, who have given a lifetime of service to the industry, and who, by their very endeavours have made possible major export orders for maintenance and improvement of job prospects in the mining equipment industry, and the better health of the industry as a whole.

I point out to my hon. Friend that when the scheme was originally introduced, careful thought was given to the extent to which it should be deployed to cover other groups. Because of the generous nature of the benefits made available, it was decided, under the primary legislation, to restrict it to the category, to which I and my hon. Friend have already referred, set out in section 7:

"For the purpose of providing assistance to persons made redundant by the closure of coal mines".

Men can receive extremely generous benefits.

Younger men can receive lump sums of up to £33,000 and older men total weekly benefits which may exceed a £100 per week, plus lump sums. In asking taxpayers to meet the costs of benefits at this level it is right, as far as possible that the availability of benefits should be restricted to those whose particular circumstances meet those that justified the need for special Government support beyond that available in other industries. I fear that I cannot accept that my hon. Friend has shown that the present legislation leads to such unacceptable anomalies or serious injustices that the fundamental basis of the legislation must be changed. I think that my hon. Friend recognises that any change to be made in the scheme would have to be made in primary legislation, although, as she is aware, from time to time statutory instruments are introduced that deal with the details of the scheme. It would not be possible for such a statutory instrument to encompass the fundamental change that she is urging on me.

Mr. Andy Stewart (Sherwood): Supposing the constituents of my hon. Friend the Member for Derbyshire, South (Mrs. Currie) moved from the research centre to a pit and were subsequently made redundant, would their length of service be uninterrupted, or would

there be a break in service? How would it be considered in the industry, if they transferred to a coal pit before being made redundant?

Mr. Hunt: If at the time of the redundancy the individuals qualified under the conditions clearly set out in the scheme, and were made redundant by the closure of the coal mine where they were then working, they would be entitled to payments under the redundant mineworkers' payment scheme. That is clear. My hon. Friend is already pointing to the necessity of making the legislation absolutely clear. The way in which that is done is by looking at the place of employment together with the other conditions that are necessary to prescribe qualification.

Mr. Allen McKay (Barnsley, West and Penistone): The Minister referred to men at the mining research and

development establishment, which is accepted as being industrial. If it is decided to close the establishment because of the rundown of collieries in the area, will they be eligible under the scheme?

Mr. Hunt: That is a matter for the coal board to raise with my Department. It may well be that there are other possibilities.

I shall consider carefully all the points raised by my hon. Friend the Member for Derbyshire, South—and the point that the hon. Member for Barnsley, West and Penistone (Mr. McKay) has just raised—just as I have on the many other occasions on which my hon. Friend has raised these important matters.

Question put and agreed to.

Adjourned accordingly at eleven minutes past Twelve o'clock.