

PRIME MINISTER

COAL

*To ask every - has 10C
 means pits have
 been done now
 the pits. How does
 that compare with the
 which would have
 been done now
 of the pits had
 taken place*

A meeting is scheduled for next Thursday to discuss endurance. Mr Walker's minute (Flag A) argues that the risk of an all-out stoppage next winter involving both the NUM and UDM is small and that there is no need to rebuild stocks beyond 27mt. Treasury officials agree with this, but I do not know the Chancellor's views. There would be no PSBR costs. The Policy Unit comment is at Flag B.

Mr Walker would personally like not to have a meeting next week and the Cabinet Office also see no need for one. The Chancellor is likely to agree.

Separately, the Department of Energy have now replied to your questions about lessons of the miners' strike, (my letter at Flag C; their reply Flag D). Energy take the view that everything that can be done is being done. However, without knowing of your concern, Mr Brittan is also concerned about intimidation of working miners (Flag E).

Questions:

This is not important

(i) do you want the meeting to stand?

Yes

(ii) if not, are you content with Mr Walker's proposals, subject to the views of colleagues?

(iii) do you have any supplementary questions on the Energy letter about lessons of the miners' strike?

*Policy doesn't
 present now
 support for
 working miners for
 the long term.
 ? Is it
 not policy?*

*Please do not
 copy my
 to anyone
 else, will
 name you*

A meeting next week would help to show that you believe there is no room for complacency on this. The alternative is to wait until we have the Corporate Plan due in the next couple of months.

D.R.

The meeting should go ahead