

COAL

GENERAL BACKGROUND

LABOUR'S PLAN FOR COAL PREPARED IN CONSULTATION WITH THE NATIONAL UNION OF MINeworkERS AND THE NATIONAL COAL BOARD HAD 3 MAIN ELEMENTS:

- A MASSIVE COAL INVESTMENT PROGRAMME;
- AN IMPROVEMENT IN PRODUCTIVITY; AND
- THE REMOVAL OF THE LEAST ECONOMIC PRODUCTION UNITS IN COAL PRODUCTION.

ON INVESTMENT THIS GOVERNMENT HAS PUT £650 MILLION MORE INTO THE COAL INDUSTRY THAN WAS ENVISAGED IN PLAN FOR COAL. INVESTMENT IS NOW RUNNING AT MORE THAN £2 MILLION A DAY. WE HAVE ANNOUNCED THIS YEAR DEVELOPMENT OF THE ASFORDBY PIT WHICH WILL COST £400 MILLION.

ON PRODUCTIVITY PLAN FOR COAL CALLED FOR AN INCREASE OF 4% A YEAR. IN FACT THERE HAS BEEN AN INCREASE OF ONLY 4.7% IN 10 YEARS. IN FACT PRODUCTION FELL IN THE LATE 70S AND ONLY REACHED THE 4% TARGET LAST YEAR.

ON CLOSURES PLAN FOR COAL ENVISAGED A RATE OF 3-4 MILLION TONNES A YEAR. ONLY HALF THAT HAS TAKEN PLACE.

DURING 11 YEARS OF LABOUR GOVERNMENT, OVER 300 PITS WERE CLOSED. DURING 9 YEARS OF CONSERVATIVE GOVERNMENT 92 PITS HAVE BEEN CLOSED.

THE BEST 20 PITS PRODUCE COAL COSTING £28 PER TON; THE WORST 20 PITS PRODUCE COAL COSTING £89 PER TON. THE WORST 12% OF OUTPUT COST £275 MILLION PER YEAR.

SUBSIDIES

THE COAL INDUSTRY IS RECEIVING EXTERNAL FINANCE OF OVER £1 BILLION IN THE CURRENT FINANCIAL YEAR. GRANTS AND PAYMENTS IN SUPPORT OF THE COAL INDUSTRY AMOUNT TO £90 PER WEEK FOR EVERY MINER.

PAY

MINERS PAY IS THE HIGHEST OF ANY MAJOR GROUP OF MANUAL WORKERS. IN 1983 MINERS' AVERAGE EARNINGS WERE 26% ABOVE THE AVERAGE EARNINGS IN MANUFACTURING INDUSTRY. DURING THE PERIOD OF LABOUR GOVERNMENT, MINERS' EARNINGS WERE ON AVERAGE ONLY 18% ABOVE EARNINGS IN THE MANUFACTURING INDUSTRY.

19 MARCH 1984