

PRIME MINISTER

COAL DISPUTE

You will see from the attached FT Report (flag A) that Mr MacGregor has stirred up anxieties about the no compulsory redundancy undertaking. While not defending the manner in which this occurred, Peter Warry has argued that the Government/NCB should indeed be backing away from the undertakings on investment, employment and redundancy terms as a way of increasing pressure on the miners (flag B).

At Mr Walker's insistence, the Board have put out the attached press notice (flag C) which restates the no compulsory redundancy undertaking, while leaving itself a slight let out where pits are damaged during the course of the strike. As in the NACODS affairs, careless actions by the Board have been recovered at the expense of digging itself in deeper.

It is difficult, in my view, while the process of dividing the TUC and the Labour Party from the NUM is going on, for the Government to play hard on the fears that a long strike might make it difficult to meet the undertakings given. Nevertheless, there may come a time when this is the right thing to do.

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23 November 1984

MacGregor hints at forced job cuts

BY JOHN LLOYD IN LONDON AND PAUL BETTS IN PARIS

MR IAN MACGREGOR, chairman of the National Coal Board, has told the mining management unions that he is no longer prepared to guarantee that redundancies in the pits will be voluntary — a pledge made by the NCB and Government ministers, including the Prime Minister, since the strike began.

His remarks are largely a reflection of the continued deterioration of coal faces in many pits, but they also spring from a calculation that a tough approach could speed up the drift back to work.

In comments made separately in Paris last night, after delivering a speech to a management group, Mr MacGregor said he would consider the strike over if 15,000 more miners returned to work. Both sets of comments represent a much harder line by Mr MacGregor as he anticipates the strike crumbling through a continued return to work.

The NCB claimed that 856 "new faces" turned up at pits yesterday, bringing the total for the week to 4,982. North-east

England accounted for 327, an indication that this once-solid area is showing a relatively rapid drift back, though 90 per cent of its miners are still on strike.

In South Wales, where the strike remains most solid—only 110 miners out of nearly 20,000 have returned—a rally of miners from two of the Gwent pits delivered a clear warning to area leaders that they want to go back to work.

Miners from North and South Celynen told Mr Emlyn Williams, area president, that they wanted an area delegate meeting called within the next two weeks to discuss an orderly return to work.

Mr MacGregor's statement that the pledge of no compulsory redundancies could no longer be guaranteed was given at a meeting of the Coal Industry National Consultative Council earlier this week, when board members met leaders of the pit deputies union Nacods and the British Association of Colliery Management.

Mr Ken Sampey, the Nacods

president, reminded the board that Mr James Cowan, deputy chairman, said on March 6—when the board's plan to close 4m tonnes of capacity was announced—that he could not guarantee all redundancies would be voluntary.

Mr Sampey asked Mr MacGregor if, in the light of subsequent pledges that they would be voluntary, he agreed the position had changed. Mr MacGregor replied that the position had not changed; he could not give the guarantee.

Mr Cowan immediately cut in to give a gloss to the chairman's answer, to the effect that Mr MacGregor had meant that if pits continued to deteriorate at their present rate, and the strike were prolonged, then the board might be unable to honour the pledge.

The board's formal position remains that redundancies will be voluntary. It said last night that it had lost 21 faces, 21 were in a serious condition and 66 were causing concern.

More than 20,000 mine-workers have indicated varying

degrees of interest in leaving the industry — though redundancy terms, the most generous in UK industry for manual workers, are not available while the strike lasts.

In Paris last night, Mr MacGregor — speaking after addressing the Harvard Business School Old Boys' Club — said he expected between 20,000 or 30,000 miners to be made redundant, leaving about 150,000 from the workforce of about 180,000.

With 60,000 to 63,000 miners claimed by the NCB to be not on strike, 15,000 miners returning would mean over half of the 150,000 had — in the chairman's view — decided to oppose the strike.

Today is the last day for miners in most areas to qualify for a bonus and benefits package of more than £600 before Christmas. Different holiday arrangements in the Scottish area mean that miners there will still qualify if they return next Monday.

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