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CABINET
OFFICIAL GROUP ON COAL

LESSONS OF THE MINERS' STRIKE - SECOND REPORT TO MINISTERS

Note by the Secretaries

1. A draft second report to Ministers, on the specific points for follow-up action identified in the report circulated with Misc 57(85)9, is attached to form the basis for discussion at the Group's meeting on 12 November.
2. The draft has been prepared from departmental replies to Mr Unwin's letter of 21 June 1985, supplemented by other material obtained either verbally or in response to separate correspondence.
3. After the meeting on 12 November it is intended to prepare a final version of the report (which will be cleared in correspondence if necessary) for submission to Ministers by the end of this month. If there are any major changes, or additions to be proposed it would be helpful if they could be sent to the Secretaries, copied to other members of the Group, by noon on 11 November.

signed BRIGADIER J A J BUDD
J E ROBERTS

Cabinet Office
5 November 1985

SECOND REPORT ON LESSONS OF THE MINERS' STRIKEINTRODUCTION

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 37 (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 2.101)

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) and be maintained around that level throughout the winter of 1985/86, with the question of coal stock levels after March 1986 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 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 should be approved, whilst at the same time it was noted that there was little scope for increasing oil storage capacity;

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

e. to support CEGB plans to widen the scope of what might be considered "normal working" in as many areas of the Boards responsibilities as practicable.

PHYSICAL ENDURANCE (paragraph 2.10ii)

4. Protecting Local NUM Autonomy

a. New Unions

i. The National Union of Mineworkers (NUM) adopted a new rule book at their Delegate Conference in July. Among many other changes this reversed the position of individuals within the NUM. The original constitution of the union was essentially that of a federation with members belonging firstly to area unions and, by virtue of that membership, to the national union. The new rule book means that individuals will basically be members of the national union, which will allocate them to areas. In all cases of conflict, national rules and decisions will prevail over those of areas. The Nottinghamshire Area of the NUM had a mandate to oppose the rule changes and voted against adoption of the new rule book. The day after Conference adopted the rule book, Notts area branch officials voted to withdraw the area from the national NUM.

ii. 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.

iii. 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. It is known that individual pits in Warwickshire, Leicestershire and Lancashire have taken soundings about joining the new union 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 NCB are blocking any approach to the Tribunal. At a meeting in mid-October the TUC repeated their intention of refusing to affiliate the UDM. Roy Lynk pointed out that the UDM had not sought affiliation to the TUC or the Labour Party. It seems likely that events surrounding the establishment of the UDM will continue to move fast over the coming weeks.

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. They have also indicated to the UDM that they have it in mind to introduce improved bonus arrangements for both production and non-production workers and to introduce a new bonus related to attendance; 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, and to use this as the basis for a demand for undertakings from that union regarding cooperation in improving productivity. 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.
- 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.

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

The NCB have held discussions with the Mines and Quarries Inspectorate on the changes needed in the regulations governing deputies' functions underground in order to break NACODS' monopoly. The Health and Safety Executive have in hand a full scale review of mining safety regulations, within the scope of which the necessary changes fall. A paper prepared by the NCB on widening the base from which management can be drawn is shortly to be put to the Mines Qualification Board. Other changes are likely to take two to three years to complete although it is possible that some may be achieved more quickly. D/Energy officials are pursuing this point.

6. 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:

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(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 the Environment are currently discussing the problems described at (i) and (ii) above. Indications are that there are procedures open to the NCB that would enable them to overcome the problem reasonably quickly and that new legislative provisions are not required.

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)

7. In any future dispute the Department of Employment are prepared to advise where necessary on the opportunities presented by current employment legislation for curbing the activities of the pickets.

8. It is intended, in the impending Public Order Bill, to replace the existing common law offence of riot with a more restrictive, but more clearly defined, statutory one. This development should ensure that the failure to obtain a single conviction on riot charges arising from the miners' strike, due mainly to difficulties in identification and the production of clear evidence as well as the withdrawal of charges before trial, should not occur again. (It should be noted that after the disorders in St Paul's Bristol in April 1980 twelve people were charged with rioting, but eight were acquitted and the jury failed to agree verdicts on the

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remaining four. No one was charged with riot after the more widespread disturbances of 1981). Two further future safeguards against the recurrence of the fiasco of the recent riot trials should be that, once established, the Crown Prosecution Service rather than the police will decide whether or not to proceed and riot charges will, under the Public Order Bill, require the consent of the Director of Public Prosecutions.

9. It is expected that the results of the reviews of policing during the strike, that are being carried out by individual Chief Constables, the Association of Chief Police Officers and the local authority associations will be ready by the end of this year.

10. Stipendiary Magistrates

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.

OTHER FACTORS (paragraph 4.24)

11. Assistance with Mortgage Interest Payments

The broad question of eligibility to receive assistance with mortgage interest payments through the supplementary benefit scheme was identified, without specific reference to strikers, in volume 2 of the Social Security Review Green Paper - paragraph 2.92. Whilst no specific proposals for change have yet been made it has been suggested that supplementary benefit payments in respect of mortgage interest should not be paid for the first six months of benefit - which would clearly include most strikers. This factor should be considered when firm proposals on this matter are being prepared.

12. Strike Ballot Provisions of the 1984 Trades Union Act

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 a majority for industrial action was secured only by confusion caused by more than one issue being put to members. The Department will continue 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. The Attorney General's point will be considered in the light of further experience.

13. Financial Assistance to Strikers from Local Authorities

It is expected that the Widdecombe 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.

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.

f. The Department of Transport are arranging for senior officials to be regularly reminded of the importance of the appointment of an effective spokesman by any of their public sector industries faced with an impending industrial dispute.

CONCLUSION

15. Ministers are invited to:

a. Take note of the follow-up action taken so far to take advantage of the lessons of the 1984/85 miners' strike;

b. agree that the need for a further follow-up report should be considered in the light of the outcome of work designed to weaken the monopoly of NACODS (paragraph 5 above), the reviews of policing during the miners' strike (paragraph 9 above), social security (paragraph 11 above), and the Widdecombe Inquiry (paragraph 13 above).