

Effects of the Overtime Ban

Total loss of output (nine weeks) 3,250,000 tonnes

So far the loss has been around 18 per cent of what we would have expected.

Yesterday (Monday) about 11,000 men lost a day's work. About half were as a result of the one-day strike by winding enginemen protesting about their union's refusal to hold an individual ballot. The remainder was because maintenance and safety work required by statute is now having to be done during the week instead of at weekends. This element will grow as a backlog of work builds up.

Stocks (after nine weeks) undistributed - just under 24m. tonnes
power stations - nearly 32m. tonnes.

It is normal for stocks to be picked up during the winter.

The reduction in our stocks in nine weeks has been less than $\frac{1}{2}$ m. tonnes or nearly 2 per cent. At this rate it would take nearly 20 years to shift our stocks.

Power stations, even if we don't deliver another tonne of coal to them, would be able to live off their stocks for about six months. But we are still making weekly deliveries to them at the rate of more than 1.4m. tonnes.

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Financial Effects

Cash flow benefits. We have saved £33½m. in wages and £15½m. on other costs. Stocking costs are saved because most of the lost output would have gone on the ground.

The additional loss to date will be about £32m. To be added to the deficit which we expected would be about £185m. in the full year.

Wages

During the first ten weeks the men have lost £33½m.

Normal weekly wage bill is £28m. so on average each man has lost the equivalent of well over a week's wages.

10 JAN 1986

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'OVERTIME BAN GOES ON' - SCARGILL

MINERS' LEADER ARTHUR SCARGILL SAID THIS MORNING THAT THE OVERTIME BAN WOULD CONTINUE UNTIL THE NATIONAL COAL BOARD RETURNED TO THE NEGOTIATION TABLE: AGREED TO STOP CLOSING PITS AND SACKING MINERS, AND OFFERED A SUBSTANTIAL INCREASE IN WAGES.

ASKED ON BBC TV'S BREAKFAST TIME PROGRAMME WHAT WOULD HAPPEN AT THURSDAY'S MEETING OF THE UNION'S EXECUTIVE IN SHEFFIELD, HE SAID HE COULD NOT PREDICT THE OUTCOME BUT MEMBERS OF THE EXECUTIVE WOULD BE ALLOWED TO DISCUSS WHATEVER THEY WANTED.

MEANWHILE AN NCB SPOKESMAN ADMITTED THAT THE OVERTIME BAN WOULD CREATE A NET LOSS ON THE BALANCE SHEET AT THE END OF THE FINANCIAL YEAR - BUT SAID IT WOULD NOT BE AS GREAT AS £850 MILLION, WHICH MR SCARGILL SAID ON TELEVISION WOULD BE THE FIGURE IF THE BAN WENT ON FOR A YEAR.

'SO FAR AS WE ARE CONCERNED THE ONLY DEVASTATION IN ALL THIS IS BEING FELT BY THE MINeworkERS THEMSELVES IN TERMS OF LOST EARNINGS,' THE SPOKESMAN SAID.

SINCE THE BAN BEGAN THEY HAD LOST £30 MILLION IN WAGES.

NUM OVERTIME BANOutput Losses

<u>Week ended</u>	<u>Lost output in tonnes</u>	<u>% of output which we would have expected (budgeted output) to produce in that week</u>
5.11.83	241.000	11.0
12.11.83	312.000	13.7
19.11.83	371.000	16.25
26.11.83	368.000	16.2
3.12.83	421.000	18.5
10.12.83	386.000	16.9
17.12.83	419.000	18.39
24.12.83	388.000 estimated	
31.12.83)		
7.1.84) 2 weeks combined losses	347.000	

Cumulative Total 3253.000

Loss of Earnings

<u>Week Ended</u>	<u>£M</u>
5.11.83	1.5
12.11.83	3.5
19.11.83	3.8
26.11.83	4.0
3.12.83	4.2
10.12.83	3.7
17.12.83	3.8
24.12.83	3.7
31.12.83	2.4
7-1-84	2.9
	33.5
	30.6

NOTE Normal weekly wage bill £28m (not including wages charges).

Productivity

<u>Week Ended</u>	<u>Overall Revenue OMS</u>	<u>Week Ended</u>	<u>Overall Revenue OMS</u>
5.11.83	2.38	6.11.82	2.44
12.11.83	2.51	13.11.82	2.48
19.11.83	2.50	20.11.82	2.49
26.11.83	2.49	27.11.82	2.49
3.12.83	2.45	4.12.82	2.51
10.12.83			

Stocks - Undistributed

<u>Week Ended</u>	<u>000 tonnes</u>	<u>CEGB & SSEB</u> <u>000 tonnes</u>
29.10.83	24,450	33,660
5.11.83	24,538	
12.11.83	24,602	33,500
19.11.83	24,511	33,250
26.11.83	24,532	33,000
3.12.83	24,393	32,750
10.12.83	24,324	32,680
17.12.83	24,179	32,190
24.12.83	23,967 prev.	31,910
31.12.83		30,660

A.C.P.

S.M.D.K.

C.J.W.

NUM OVERTIME BAN

Ten weeks ended 7.1.1984

Estimated Cumulative Effect on Colliery Profit and Loss Account

Loss of Disposals	'000 tnes	890
Loss of Saleable Output	"	3221
Net Stock Lift	"	2331
Saving in Revenue Manshifts	'000	778

FINANCIAL EFFECT

	<u>£m</u>	<u>£m</u>
<u>Loss of Proceeds (net)</u>		(81)

Costs - Saving in Wages (Gross)	34	
Savings in Other Costs (inc. Wages Charges)	15 1/2	
<u>Total Cost Saving</u>		<u>49 1/2</u>
<u>Additional Operating (Losses) - Cumulative</u>		<u>(31 1/2)</u>

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