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 1m. 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.



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 £333m.

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

'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 BAN

Output Losses

Week ended	Lost output in tonnes	% of output which we
		would have expected (budgeted output) to
		produce in that week
		produce in that week
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 comb:	ined losses 347.000	
	The state of the s	
Cumulative Total	3253.000	
Loss of Earnings		
Week Ended	EM	
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	
17.12.8.7	3.8	
24.12.83	3.7	
31.12.83	2.4	
7-1-83	3.9	
	55.5	
	30.6-	

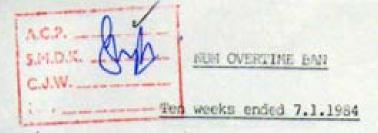
NOTE Normal weekly wage bill £28m (not including wages charges).

Productivity

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

Stocks - Undistributed

Week Ended	000 tonnes	CEGB & SSEB 000 tonnes
29.10.83 5.11.83	24,450 24,538	33,660
12.11.83	24,602 24,511	33,500 33,250
26.11.83	24,532 24,393	33,000 32,750
10,12.83	24, 324 34, 179 33, 967 pov.	32, 510 32, 190 31, 910 30, 660



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	1000	778
FINANCIAL EFFECT	<u>Em</u>	<u>£m</u>
Loss of Proceeds (net)		(81)
Costs - Saving in Wages (Gross)	34	
Savings in Other Costs (inc. Wages Charges)	15 1/2	
Total Cost Saving		49 1/2
Additional Operating (Losses) - Cu	mulative	(31 1/2)

Distribution:

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M.H.B.

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