

Feb 12th 1985

The file

Re Write of TAC document

1. It is of crucial importance for the parties concerned in the current dispute to concentrate attention on the future success of the industry and in so doing to commit themselves to reconciliation and restoration of relationships.
2. The NUM recognise that it is the duty of the NCB to manage the industry efficiently and to secure sound development in accordance with their responsibilities under the Coal Industry Act (1946) and the NCB recognise that the NUM represents and advances the interests of its members and their employment opportunities.
3. The parties undertake that immediately upon a return to work discussions will commence upon the revision of the Plan for Coal such revision to be completed within 6 months. In order that this programme, which is of vital importance to the industry, the mining communities and the country, is carried through with the utmost effectiveness the parties specifically and mutually commit themselves to giving maximum priority to this period of conciliation and reconstruction and providing the necessary resources. The TUC undertake to provide assistance if called on by either the NUM and the NCB. The points that could be included in discussions are attached as an annex.

4. The parties accept that it is of value to outline, at this stage, the procedures that flow from a commitment to modify the Colliery Review Procedure.

5. The existing Colliery Review Procedure has the objective of reviewing the performance and future ^{investment opportunities} prospects of all pits with representatives of miners. The parties accept the need to modify the Procedure. After a return to work, there will be frequent talks about the early establishment of the modified Procedure, and about the constitution, membership and role of the independent body which is to be incorporated into the Procedure.

6. All proposals about the future of pits will be dealt with through the modified Colliery Review Procedure ^{to pits} which are deemed exhausted or facing severe geological difficulties will be closed by joint agreement. In the case of a colliery where (a report of an examination by the respective NUM and NCB qualified mining engineers at Chibster) there are no further reserves which can be developed to provide the Board, in line with their responsibilities, with a basis for continuing operations there will be agreement between the NCB and the NUM that such a colliery will be deemed exhausted.

- 7 Under the modified Colliery Review Procedure the independent body will be a further stage after the national appeal stage to consider reference from any of the parties to the Procedure where agreement is not reached in the normal steps at colliery and Area level.

All parties are committed to give full weight to the views of the proposed independent review body! At the end of this procedure the Board will make its final decision and the mining unions will be free to oppose it.

The NCB subsequently presented documents:

NCB Document 13 Sept. '84 (1.30 a.m.)

In the case of a colliery where a report of an examination by the respective MIA and MIM qualified mining engineers establishes there are no further reserves which can be developed to provide the Board in line with Plan for Coal with a basis for continuing operations there will be agreement between the Board and the Union that such a colliery will be deemed exhausted.

NCB Document 14 Sept. '84 (11.30 a.m.)

In the case of a colliery where a report of an examination by the respective MIA and MIM qualified mining engineers establishes there are no further reserves which can be developed to provide the Board in line with Plan for Coal with a basis for continuing operations there will be agreement between the Board and the Union that such a colliery will be deemed exhausted.

1. It is of crucial importance for the parties concerned in the current dispute to concentrate attention on the future success of the industry and in so doing to commit themselves to reconciliation and restoration of relationships.
2. The NUM recognise that it is the duty of the NCB to manage the industry efficiently and to secure sound development in accordance with their responsibilities under the Coal Industry Act (1946) and the NCB recognise that the NUM represents and advances the interests of its members and their employment opportunities.
3. The parties undertake that immediately upon a return to work, discussions will commence upon the revision of the Plan for Coal, such revision to be completed within 6 months. In order that this programme, which is of vital importance to the industry, the mining communities and the country, is carried through with the utmost effectiveness the parties specifically and mutually commit themselves to giving maximum priority to this period of conciliation and reconstruction and providing the necessary resources. The TUC undertake to provide assistance if called on by either the NUM or the NCB. The issues that could be included in discussions are attached as an annex.
4. The parties accept that it is of value to outline, at this stage, the procedures that flow from a commitment to modify the Colliery Review Procedure.
5. The existing Colliery Review Procedure has the objective of reviewing the performance and future investment opportunities of all pits with representatives of Unions. The parties accept the need to modify the Procedure. After a return to work, there will be urgent talks about the early establishment of modified Procedure, and about the constitution, membership and role of the independent reference body which is to be incorporated into the Procedure.
6. Proposals about the future of pits will be dealt with through the modified Colliery Review Procedure. Those which are deemed exhausted or facing severe geological difficulties will be closed by joint agreement. In the case of a colliery where there are no further reserves which can be developed to provide the Board, in line with their responsibilities, with a basis for continuing operations such a colliery will be deemed exhausted.
7. Under the modified Colliery Review Procedure the independent body will be a further stage after the national appeal stage to consider reference from any of the parties to the Procedure where agreement is not reached in the normal steps at colliery and Area level.

All parties are committed to give full weight to the views of the proposed independent review body; at the end of this procedure the Board will make its final decision and the mining Unions will be free to oppose it.

NCB
12.2.85.



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH

MILLBANK LONDON SW1P 4QJ

01 211 6402

Ian MacGregor Esq
Chairman
National Coal Board
54 Eaton Square
LONDON SW1

12 February 1985

I am very disturbed by the events of this afternoon. The last information I had from you was that you were discussing with Norman Willis ways of wording the first item on the agenda, so that if there were to be talks these would be on the main factor of the dispute and there would quickly be either agreement or disagreement. I did not know that you had negotiated with Norman Willis an overall agreement for the settlement of the dispute.

As you know, you telephoned me just after 4 o'clock to tell me that papers were on their way. By the time they arrived you were actually in discussions with Norman Willis, and presumably had presented him with these papers. I would have thought that we could have been consulted on the wording of any paper which was going to form the final agreement with the TUC and through them the NUM.

If one examines the wording of the paper it relates your responsibility to the Coal Industry Act 1946. The operative part of Clause 1 of the Act states that your actions should in fact be "calculated to further the public interest in all respects". This of course would enable Scargill to claim that the most important aspects of public interest at the moment are those of unemployment and the impact of pit closures upon mining communities during a period of high unemployment.

I think Clause 6 could have its problems, because by using the phrase "deemed exhausted" it then means that pits will be closed by joint agreement. The wording could therefore be taken that if the NUM don't agree, pits would not be closed, giving the power of veto to the NUM. The final wording of Clause 7, which



although one could argue expresses the reality of not being able to obtain a no strike agreement, is drafted in such a positive way for the unions that Scargill could immediately announce he had obtained a settlement on the basis that the NUM will continue its policy of opposing the closure of pits for economic reasons.

Clause 5 creates a situation where if the NUM delay agreement upon the new independent body, they can delay pit closures for as long as you fail to get agreement.

I hope you have succeeded in not tabling these offers. I am very concerned that at the most crucial stage of this dispute I was given no opportunity of expressing any criticisms of the document you were tabling.

A handwritten signature in blue ink, appearing to read 'P. Walker'.

PETER WALKER

NATIONAL COAL BOARD

HOBART HOUSE
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LONDON SW1X 7AE

01-236 2020

CHAIRMAN

Ian MacGregor

13 February 1985

Rt Hon Peter Walker MP
Secretary of State for Energy
Thames House South
Millbank
London SW1

Dear Secretary of State,

Thank you for your letter of 12 February.

I can understand your concern, and I look forward to having a detailed discussion with you on the various problems.

As I told you on the telephone, the NACODS agreement, which you and other members of the Government have offered to the NUM, does not specifically provide for the words that you regard as being important and essential.

I have attempted to find a solution which produces the procedure to retire uneconomic pits, which is what our objective has been in the first instance..

You will realise that, built into the legislation under which the NCB operates, is a degree of consultation on a scale which I doubt is matched in any other industry. This already preempts much of management's rights, and moving away from that is a task which will take a considerable time and much patience. We are attempting to take the first steps in restoring a balance in which management will have the chance to exercise their proper role.

I trust you will follow the concern we have here in our efforts to resolve the problem.

Sincerely

Ian MacGregor



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ
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BY HAND

Ian MacGregor Esq
Chairman
National Coal Board
Hobart House
Grosvenor Place
LONDON SW1

20 February 1985

I enclose the draft letter and revised statement as we agreed together this morning. I have communicated these drafts to the Prime Minister who agrees that this is the correct response to the TUC following the meeting that took place at Downing Street yesterday, and further confirms that it is correct that the Government and the Coal Board make it clear that this clarification of your original document constitutes the final wording that will be offered.

I presume you will have this delivered to Norman Willis between 2.00 and 2.30 pm in order that he can present it to the national executive of the NUM whose meeting is due to start at 2.30 pm.

PETER WALKER

NATIONAL COAL BOARD
HOBART HOUSE
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CHAIRMAN
Ian MacGregor

20th February, 1985.

Mr. Norman Willis,
General Secretary,
Trades Union Congress,
Congress House,
Great Russell Street,
London, W.C.1.

The Secretary of State for Energy reported to me the points that you made in the talks at No. 10 Downing Street with the Prime Minister.

The Secretary of State confirmed that it was the view of the TUC that the document that we had prepared subsequent to discussions with you was a document that, if agreed to, would for all of the matters dealt with in this document be the final agreement, and was in no way a document which would be an agenda or form the basis of any further negotiations.

We note also that the TUC confirm that the Executive of the NUM had accepted the Board's duty to manage the industry efficiently; had confirmed its acceptance of a modified Colliery Review Procedure; and had accepted that the Board would take the final decision on closures after completion of all the review procedures.

The Secretary of State reported to us that you felt that our requirement in paragraph 5 that existing procedures should apply until a modified procedure was agreed was in some way a rejection of the agreement we had reached with NACODS. We in no way intend to reject the NACODS agreement, and indeed we confirm that it is our objective to put swiftly into operation the NACODS procedure. However, as I gather the Prime Minister and the Secretary of State explained the Board could not accept a situation where if, for example, the NUM refused to agree to the detail of the independent body, no review procedures would exist. This might in effect, result in the NUM frustrating any reasonable plans for closures. In order to clarify our objective, we have revised the wording of this provision so that it expresses our aim of seeing that the modified procedures are in place by the time they are needed and that existing procedures would continue to apply in the event of failure to reach agreement.

He also reported that you were concerned that Clause 6 of our proposals might be taken to imply that we had in mind closing collieries without the Unions having had the opportunity to refer a case to the independent review body to be set up under the modified procedures. We have therefore re-ordered this part of the document in order to make clear that this has never been our intention.

We hope therefore that this clarification of our original document will meet fully the doubts which you expressed at the meeting with the Prime Minister. Having given careful consideration to your views, I wish to make it clear that this must now constitute our final wording. We hope that the NUM Executive will accept this as a means of ending the present damaging dispute and allowing all sides of the industry to concentrate their attention on the future success of the industry.

Sincerely,

1. It is of crucial importance for the parties concerned in the current dispute to concentrate attention on the future success of the industry and in so doing to commit themselves to reconciliation and restoration of relationships.
2. The NUM recognise that it is the duty of the NCB to manage the industry efficiently and to secure sound developments in accordance with their responsibilities and the NCB recognise that the NUM represents and advances the interests of its members and their employment opportunities. In this regard the NCB is firmly of the view that the interests of all of its employees are best served by the development of an economically sound industry.
3. The parties undertake that immediately upon a return to normal working, discussions will commence upon the revision of the Plan for Coal, such revision to be completed within 6 months. In order that this programme, which is of vital importance to the industry, the mining communities and the country, is carried through with the utmost effectiveness the parties specifically and mutually commit themselves to giving maximum priority to this period of conciliation and reconstruction and providing the necessary resources. The TUC undertake to provide assistance if called on by either the NUM or the NCB. The issues that could be included in discussions are attached as an annex. Nothing in this paragraph will prevent any party from referring collieries to the Review Procedure.
4. The parties accept that it is of value to outline, at this stage, the procedures that flow from a commitment to modify the Colliery Review Procedure.

5. The existing Colliery Review Procedure that has been operated by both parties for many years has the objective of periodically reviewing at colliery and Area level performance and future investment opportunities of pits with representatives of unions. The parties accept the need to modify the procedure. After a return to normal working there will be urgent talks about the early establishment of a modified procedure and about the constitution, membership and role of the independent review body which is to be incorporated into the Procedure. Until then, existing procedures will continue to apply to closure proposals which are not disputed. In the case of a disputed closure proposal, as under the procedures that will be operating in connection with any such proposed closure, it will take more than three months before the point was reached where there was a need for either party to make a reference to the independent review body, all parties will endeavour to reach an agreement upon the details of its establishment before the first of June 1985. In the event of a failure to reach agreement on the independent review body by that date the existing procedures will continue to apply until agreement is reached.
6. Under the modified Colliery Review Procedure the independent body will constitute a further consultative stage after the national appeal stage to consider reference from any of the parties to the Procedure where agreement is not reached in the usual steps at colliery and Area level. All parties are committed to give full weight to the view of the proposed independent review body.

7. Proposals about the future of pits will then be dealt with through the modified Colliery Review Procedure. In accordance with past practices, those pits which are exhausted or facing severe geological difficulties will be closed by joint agreement. In the case of a colliery where there are no further reserves which can be developed to provide the Board, in line with their responsibilities, with a satisfactory basis for continuing operations such a colliery will if requested by either party be reviewed under the Modified Colliery Review Procedure before the Board takes its decision as to whether or not to close the colliery.
8. At the end of this procedure the Board will make its final decision. The parties accept this is not intended to constitute a non-strike agreement.