

E.R.
CONFIDENTIAL

cc Mr. Wolfson
Mr. Hoskyns
Mr. Ingham
Sir R. Armstrong

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PRIME MINISTER

COAL

John Moore and Donald Maitland met Ezra this evening as envisaged at the meeting earlier in the afternoon. They tried to persuade him simply to listen to the unions at the meeting on Monday before giving them - or indeed agreeing with them - any figures on the cost of the imports and closure concessions. Ezra, however, said that he would have no option but to give them the figures.

Ezra does not seem to envisage agreeing a package of proposals with the unions; rather, he seems to be intent on just giving them the facts and leaving it to them to put forward proposals at next Wednesday's meeting. If that is the case, it seems to me undesirable: by skilful negotiation, the NCB might be able to hold back the unions' more extravagant demands before they are put to the Government. This is a point which you might like to take up at the E meeting on Monday morning.

Ezra's meeting with the unions had been scheduled for Monday morning; he has now agreed to postpone it until the afternoon so that any views which come out of E Committee can be passed on to him. Apart from the point mentioned in the previous paragraph, I am told that the Treasury have doubts about the basis of the cost estimates, and no doubt the Chancellor will raise this at E.

20 February 1981

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