

MR DUGUID

cc Mr Hoskyns  
Mr Scholar

MISC 57

This morning's meeting of MISC 57 got, almost for the first time, right to core of the argument that has been simmering beneath the surface of the group, between those who want to build up endurance for the sake of the deterrent effect and those who fear that almost any action by the Government will provoke the miners into pre-emptive industrial action. The do-nothing brigade were seen more clearly than usual in their true colours. I am sending Michael Scholar a copy of this note because I think he should be aware of the timetable for Ministerial decision making: I am conscious that a lot of very difficult and complicated issues are building up for decision before Christmas.

On the timing, Ivor Manley reported that the ballot could not take place until after the next meeting between the NUM and the NCB on 25 November, so that no settlement was possible until December. It is quite possible that the Presidential ballot, on a single transferable vote system on 2-3 December, may take place before or in parallel with the pay ballot; in which case the negotiations would not be completed until the second week of December. In the light of all this it is apparent that, first, the best part of a month of stock building time will be lost, because nothing will be done until the New Year, and second, that the group must plan on putting its report to Ministers in the week beginning 7 December, with a view to decisions being taken in the week beginning 14 December. Robert Wade-Geary said that the report will have to be in the Home Secretary's box by Friday 27 November. I am quite sure that the Prime Minister will need to have a meeting with her colleagues principally concerned to decide among the options which will be presented.

/The group

The group this morning otherwise concentrated on the draft ~~and~~ cover note, which is of course virtually a summary and recommendations, and the final tidying up of the other two papers is being left to the Secretaries (I have made orally our reservations about the alarmist references to Tony Pandy). The principal developments this morning were:-

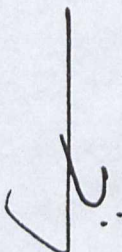
- 1) We have decided not to present as an option advance purchase of oil, since it is very probable that the necessary oil endurance can be purchased on day 1 of the strike, which will be much cheaper and much lower profile.
- 2) Robert tried to achieve a consensus on the visibility threshold, and suggested that it stood at 27 m.t. Manley needless to say disputed this on the grounds that even the present stock building (which if continued would lead to 22 m.t.) was attracting suspicion. Nigel Wicks pointed out that there should be no difficulty in explaining that away, and I said that visibility was not the same thing as provocation. Douglas Smith said (helpfully) that we could go as far as 22 m.t. without provocation.
- 3) We had another go at deterrence. I said, with support - to my surprise - from Douglas Smith, that the paper needed to make it clear that the object of the 20 weeks endurance demanded by Ministers on 4 August was deterrence rather than ability to win a strike, and that was agreed. Ivor Manley then tried to argue that deterrence would not work with the miners, which led to my usual short lecture on the concept of deterrence at the margin under circumstances of a reasonable offer. Douglas Smith agreed that it was "indisputable" that at the margin longer endurance would deter some miners from taking industrial action under some circumstances.
- 4) We have clarified the relations between stocks and endurance and the paper will assume 2 m.t. a week throughout.

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- 5) Robert suggested that we slanted the treatment of the use of servicemen towards keeping them in reserve until a strike started, but that willingness to use them for movement of ancillaries and remaining pithead stocks should be made explicit. Following our discussion yesterday, in which we agreed that we ought not to let the report set too much store on the servicemen because it would tempt Ministers to accept advice that they need ~~not~~ build up endurance through stocks, I agreed on the understanding that the report would make it clear that closing off the wider servicemen option (i.e. high profile reconnaissance of pits, construction of facilities etc) put more weight on stock building if the 20 week target was to be met.
- 6) Robert then unveiled his preferred option. You will recall that the 4 August decision presumed stockpiling ~~to~~ a 31 m.t. level, the additional 4 m.t. being achieved by construction ~~of~~ of further storage facilities. Robert suggested that we offer Ministers 27 m.t. ~~power~~ station stocks, ancillary materials sufficient for 22 m.t. (beyond that, the provision of ancillaries becomes very high profile, and the extra 5 m.t. worth could easily be found in the early days of a strike), ~~no~~ ~~the~~ advance purchase of oil, but willingness to purchase 5 weeks worth on day 1, and the assumption that the servicemen could move enough coal for a further three week. That would provide a total endurance of well over 20 weeks, at minimum cost and medium visibility. There is not a great deal of support for the 27 m.t.. I pointed out that we were being asked not to advise whether to reach a 20 week endurance target, but how; I have little doubt that briefing for most of the Ministers whose Departments are represented in MISC 57 will be in the sense of going back on the 4 August decision. Douglas Smith suggested that we should go for the Wade-Geary option but with only 22 m.t., since the loss of 2 weeks endurance would be

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justified by the lower profile involved. It is I think now clear that the principle point for decision will be whether to go for 22 m.t., which is the do-nothing option because that is what we are already planning, or 27 m.t.; which would be a positive move in the direction of deterrence and greater endurance. I reminded the group that willingness to go for oil and servicemen on day 1 did not contribute to deterrence.

A handwritten signature, possibly initials, consisting of a vertical line with a hook at the bottom and a small flourish to the right.

18 November 1981