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SECRETARY OF STATE FOR ENERGY
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David Barclay Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON SW1

Dub
16/8

16 August 1984

Dear David

MINERS' STRIKE: COAL FOR RAVENSCRAIG

Ruth Thompson copied to me her letter of 15 August to you about the latest position on the "Ostia", with its cargo of coal for BSC Ravenscraig.

My Secretary of State, to whom I have spoken about this matter, agrees entirely with Mr Tebbit that it would be a mistake for BSC to bring in the "Ostia" before all the National Dock Labour Board procedures have been exhausted.

Beyond this, he is sure that it would be wrong to take any decision now to bring in the "Ostia", before the outcome of the National Dock Labour Board procedures is known, and without full Ministerial consultation. Ian MacGregor spoke to my Secretary of State on the telephone this morning to say that he could see very real prospects of an improvement in the position on the coal strike in the next week or two. There were strong signs of a further development of the return to work and of further legal actions which would embarrass the NUM and put them on the defensive. In these circumstances Mr MacGregor considered that it would be a serious error to bring in the "Ostia" since this would be "a gift to the NUM militants." It would produce a strong likelihood of strike action by the TGWU which the NUM would exploit to the utmost to prevent any drift back to work. Ian MacGregor represented this view very firmly to my Secretary of State.

Ruth Thompson's letter does not discuss the question whether the TGWU would try to take strike action if the "Ostia" were brought in. There are senior members of the TGWU sympathetic to the NUM who would obviously wish to ferment strike action, regardless of whether the decision of the National Dock Labour Board went in favour of BSC or against them.

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My Secretary of State attaches importance to mobilising opinion in Scotland against the TGWU line. No doubt DTI and BSC are now considering this, and I know that Mr Buchanan-Smith and Mr Younger have been discussing it already. Both my Secretary of State and Mr MacGregor take the view that further speculation about the whole future of Ravenscraig being put at risk by the lack of this coal would not be unhelpful in the next day or two. It might usefully be made clear that if the coal is not made available by a specified date, then Ravenscraig will be on the path to closure.

My Secretary of State will continue to keep closely in touch with developments. If a Ministerial meeting is necessary when the decision of the National Dock Labour Board is available, Mr Buchanan-Smith or Mr Shaw will be available to attend from this department.

I am sending copies of this letter to the Private Secretaries of other Ministers on MISC 101, and to Richard Hatfield in Sir Robert Armstrong's office.

Yours

John

J S NEILSON
Private Secretary

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