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10 DOWNING STREET

THE PRIME MINISTER

19 October 1984

Dear Mr. Kinoshita,

Thank you for your letter of 19 October about the coal mining dispute. This dispute has been bedevilled by misunderstandings and I am grateful for the opportunity of putting the record straight on the points raised in your letter.

I confirm, as Peter Walker did yesterday, that any future pit closure will be examined through the Colliery Review procedure. I also confirm that this procedure remains in exactly the same form as it did under the Labour Government.

I am surprised that there should be any doubt about this. You will remember that the question of the procedure arose in our debate in the House of Commons on 31 July. On the following day the Chairman of the National Coal Board issued a statement in which he set out the arrangements agreed with the Unions at the beginning of 1973 for a Colliery Review procedure. He said "This procedure has, in the opinion of the NCB, worked well" and he added "The NCB have proposed no change in these jointly agreed procedures". I sent you a copy of this statement on 4 September in reply to your letter of 3 September.



You will, of course, be aware that the ACAS proposal in the most recent talks, which was accepted by the NCB, maintained the Colliery Review procedure but added an independent review body to whose advice full weight would be given.

On the question of the 6 March proposals, if you will look at the draft agreement offered by the NCB to the NUM as long ago as <sup>July</sup> ~~June~~, and published in full in the Financial Times of 10 <sup>July</sup> ~~June~~, you will see that the NCB proposal contained the words:

"In the light of the changed circumstances the Board will revise the March 6 proposals and re-examine those proposals for individual areas, taking account of the changes that have occurred in the needs of the market and the loss of output resulting from the dispute."

You say in your present letter that, if these points were confirmed, there is indeed a possibility of resuming negotiations. In your interview on 16 October you went further. You said:-

"If the ACAS formula is acceptably near to the procedure which existed before March, and if the Coal Board understands the need for withdrawal of the twenty pit 'hit list', then the probability of a settlement is strong".

In the light of the perfectly clear position which I have explained, please will you now confirm that in your view there is nothing to stand in the way of a settlement of this dispute in line with the ACAS formula?

Yours sincerely

Rangachari Datta

The Rt. Hon. Neil Kinnock, M.P.



Colliery Closure Procedures

There were misunderstandings in the House of Commons debate on Tuesday about the colliery closure procedure. To make the position clear the National Coal Board today (Wednesday) issued the following statement:

Arrangements were agreed with all the industry's unions at the beginning of 1973 for the introduction of a colliery review procedure. Certain changes were made in 1976, again with the agreement of all the unions, to meet the requirements of the Employment Protection Act of 1975, under which employers had to give longer notice to employees.

Under the procedure, every three months each NCB Area Director holds a general colliery review meeting with representatives of Area unions at which the results of all the Area's collieries are considered and ways of improving those results are discussed. At these meetings the Director also identifies collieries where special action is required.

About three weeks later the Director reconvenes the meeting which is also attended by union representatives from collieries to be specially considered. If the Director's view is that a pit should close he announces his decision at that stage.

If at this reconvened meeting the local unions agree to closure, the date can be settled. When the unions do not agree to closure, they are given the opportunity to make a technical inspection of the colliery.





HOUSE OF COMMONS  
LONDON SW1A 0AA

The Office of the Leader of  
the Opposition

19 October 1984

Dear Prime Minister

I am writing to seek urgent clarification of the position of your Government on the coal dispute, following the intervention of the Secretary of State for Energy yesterday.

Mr Walker referred in his statements to my remarks on Tuesday of this week. I regret that Mr Walker appears to have been misled by a partial and selective account of what I in fact said. As you will see from the enclosed note, I gave equal prominence not only to the need for a withdrawal of the proposals made by the Board in March, but also to the need for a return to the Colliery Review Procedure which operated successfully for many years before then.

Is Mr Walker now saying that there will be a withdrawal of the 'hit list' of 4 million tonnes of coal production and 20,000 jobs? Is he now saying that there will be a return to the Colliery Review Procedure in line with the Plan for Coal?

If that is what Mr Walker is saying, then there is indeed a possibility of resuming negotiations.

Depending on the response to these questions, I and many others are prepared to put a positive construction on Mr Walker's intervention. I hope that it will be followed by Government action to bring the parties together for the purpose of further negotiations.

Yours sincerely

*pp Sue Noff*

Neil Kinnock MP

(Dictated by Mr Kinnock and signed in his absence)

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Speaking on World at One on Tuesday 16 October.  
the Leader of the Labour Party, Neil Kinnock MP,  
said :

The important point is that there has got to be  
a return to the situation that existed before 6  
March. Then there is a possibility of agreement  
over something like the formula knocked about between  
the NUM and the NCB. The precondition is a withdrawal  
of the hit-list and the restoration of the procedures  
which existed before 6 March.

There will not be a settlement until there is a  
reversion to the original procedures and a withdrawal  
of the hit-list of 20 pits and 20,000 redundancies.

The dispute could be ended immediately if there is  
a return to the situation before 6 March.

If those 20 pits were to go back to the old  
procedure, then an ACAS formula would be workable.  
As long as there is insistence on the 20 pit hit-list,  
it is difficult to see how the formula can be adopted.  
If the application is to new closures, but also to  
those proposed for the reduction of 4 million tonnes  
and the alleged savings of £350 million, a new  
formula could be introduced, but only if it applies to the  
20 pits and every other pit.

The question is restoring that procedure which existed  
for many years, which closed 79 pits by negotiation,  
which left the National Coal Board with the final say. It

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is not surrender of managerial authority to go back to that, especially after 54 million tonnes of coal have been lost, £2,000 million has been spent and God knows what problems have been inflicted on the economy and on the communities.

If it applied to all collieries contemplated for closure, including those which the Board was seeking to close in March, then the result could be something very like the ACAS formula - I'm not saying that those words are perfect or will guarantee peace - but it must apply now and in the future, with a guarantee that there will be no hit-list practice or hit-list philosophy, and with the system of negotiation which existed previously, then a settlement remains a possibility.

If the ACAS formula is acceptably near to the procedure which existed before March, and if the Coal Board understands the need for withdrawal of the 20-pit hit-list, then the probability of a settlement is strong.

(Taken from a transcript of Mr Kinnock's interview with Sir Robin Day, World at One, Tuesday 16 October)