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RECORD OF A MEETING HELD IN THE PRIME MINISTER'S ROOM, HOUSE
OF COMMONS, AT 2215 HRS ON TUESDAY, 30 OCTOBER, 1984

Present:

Prime Minister
Secretary of State for Energy
Secretary of State for Employment
Mr. Alison
Mr. Smith
Mr. Butler
Mr. Turnbull

Mr. Smith reported on developments prior to talks at ACAS on Wednesday between the NUM and NCB. His view, which was shared by Mr. Lowry, was that there was virtually no prospect of a settlement. Mr. Scargill was not interested in settling on any terms which would be remotely acceptable to the NCB. He would continue his campaign even if, in narrow terms, the industrial dispute were lost as this would represent a further stage in raising the political consciousness of working people.

The NCB's objective should be to demonstrate that it had made every effort to secure a reasonable settlement and that if this could not be secured the talks should be brought to an end with the NCB holding the moral advantage. Their presentation should be that they had taken part in over 120 hours of talks, they had been ready to accept the ACAS formulation in talks with the NUM, they had entered into further talks with NACODS and had reached a settlement which was acceptable to both parties and were now offering

SECRET

SECRET

2

this formula to the NUM. Regrettably the latter had refused to make any movement. The NCB would always be ready to talk if there were any movement.

In discussion it was agreed that NCB strategy should be to bring the talks to an end while holding the "high ground". There was a danger in offering to re-open talks if the NUM showed some sign of movement. It would be better not to volunteer such an offer but, if questioned, indicate that if the NUM were prepared to re-consider their attitude to the NACODS formula and this would have to represent a substantial move not merely a minor concession talks could be re-opened.

Mr. Smith said ACAS had been doing some work against the contingency that the NCB did not handle its exit from the talks skilfully. It was possible that the NCB, if driven into a corner, could ask ACAS to prepare a further text marrying the drafts submitted by the two papers last week.

The meeting then considered the text which ACAS had drafted. It was agreed that it was far better for NCB to engineer its exit without having to call upon an ACAS paper. While the ACAS text was as close to the NCB text as it could be while appearing to be a separate paper, it had two defects.

First in paragraph 5, it referred to "full weight will be given by the parties to the advice of this independent review body". The addition of the phrase "by the parties" further blurred the NCB's management responsibilities. On further inspection it was discovered that this phrase, which did not appear in any of the earlier texts, had been included in both the NCB and NUM drafts given to ACAS at the end of last week. This suggested that it had emerged from discussions which Mr. Ned Smith and Mr. Hunt had had at

SECRET

SECRET

3

ACAS after the last talks were adjourned. A telephone call by Mr. Walker to Mr. McGregor revealed that the latter was not fully aware of the existence of this change in drafting. Though it would be difficult for the NCB to withdraw a text it had already offered. It would have been better if the sentence in question had read "Full weight will be given by the NCB in discharge of its statutory duties to the advice of this independent review body".

Secondly, the last sentence of paragraph 6, which appeared to be ACAS' own drafting, referred only to the Plan for Coal. A reference to the associated documents was needed.

Summing up the discussion the Prime Minister said Mr. McGregor should be encouraged to bring the talks to an end unless the NUM were prepared to accept the NACODS formula. No advance, other than clarification, could be made on the NACODS' offer without undermining the position of NACODS. ACAS should be made aware of the defects in their document but should be strongly discouraged from tabling such a document.

Mr. Walker added that any discussion about the position and terms of reference of the review body should take place after a return to work and argument about it should not be allowed to become part of the negotiations.

AT

31 October, 1984

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