
Economic Perspective 2

REFLECTIONS ON THE MINERS' DISPUTE

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BACKGROUND

Paradoxically, the ending of the dispute between the National Union of Mineworkers and the National Coal Board has raised several questions and potential problems rather than led to any enduring solutions. The ending of the dispute without an agreement, the high numbers of miners applying for voluntary redundancy, and the recent acceptance of the 5.2% wage offer refused eighteen months ago, all prompt a questioning of the causes and consequences of the dispute. The conduct and ending of the dispute also raise a number of important issues as to the future pattern of industrial relations within the mining industry and in Britain generally. In addition, the actions of those involved indicate important changes in the roles of the law, the police and Government in collective bargaining arrangements and in the handling of disputes, especially in the public sector.

In discussing the dispute and its implications, it is first necessary to understand the extent to which the causes of the dispute, the conduct of the Government, Police, NCB and NUM, and even the outcome were directly influenced by the 1972 and 1974 national mining disputes.

The 1972/4 disputes, occurring at the same time as the Middle East oil crisis, led to a tripartite agreement between the Government, NCB and NUM as to future output and investment levels for the industry - The Plan for Coal. However, these two national disputes were possibly more important for the lessons they offered to the parties involved - NUM, NCB, Government and Police Forces - rather than the plans for increasing capacity.

The NUM learned, from the actions at the Gas Board's coke depot at Saltley, Birmingham, the value of mass picketing and mass support from other trade unionists. It based its strategy for the 1984 dispute on such mass action, and on the assumption that it would receive extensive, and mass support, from the other unions in the Triple Alliance (steel and rail), and from the labour movement as a whole. However, times had changed. The rise in unemployment weakened the support from trade unionists, the failure to involve the Nottinghamshire area in the dispute and to conduct a ballot seriously weakened support from transport workers. The steel union element of the Triple Alliance, weakened after their 'confrontation' with Mr MacGregor four years earlier, feared that if a major steel works such as Ravenscraig, closed as a consequence of the strike it might never reopen. The mining industry had also changed in the intervening decade. The gradual decline in the number of pits had, in many areas, weakened the traditional link between the village and the pit, the major source of solidarity at pit level. It was noticeable during the dispute that the percentage of miners returning to work before the end of the stoppage was lowest where the relationship between the pit and the local village was still largely intact (eg South Wales).

More significantly, the police learned the need for greater co-ordination in the face of such 'mass' action. The Association of Chiefs of Police Officers had formed the National Recording Centre (NRC) in 1972 to enable the effective movement of police between forces to provide adequate policing during major events. The NRC had been activated during the 1972 miners' dispute, but by 1984 was a far more sophisticated and important agency. First, it could call on the support of at least 11,000 officers from all 43 police

forces. Secondly, the police provided under this mutual aid scheme were largely drawn from the ranks of the Police Support Units and Special Patrol Groups, and as such were riot-trained. Thirdly, the NRC could access the police national computer, and during this dispute this facility was used to record the vehicle licence number of pickets' cars. Within a week of the start of the strike ACPO had organised an emergency police force from 18 different police forces and were stopping vehicles containing pickets at considerable distances from the picket lines.

In both 1972 and 1974 the NCB had come to appreciate that industry-wide wage bargaining, following the National Power Loading Agreement of 1966, had unified the different coalfields to the extent that these stoppages in the early 1970s were the first national strikes in the industry since 1926.

Accordingly, it sought the progressive introduction of pit head and regional incentive/bonus schemes which, when linked to selective investment plans, would widen differentials between areas and thus act to weaken solidarity. Whilst there is much to suggest that by 1983 the NCB incentive scheme was in a shambles it nevertheless led to significant variations in bonus payments (see Table 1).

Table 1 Average bonus payments, investment and operating costs per tonne by NCB area

NCB area	Average bonus payments on faces ¹ £pw	Colliery bonus averages £pw	Investment per head ² (£000's)	Operating costs per tonne £
North Yorkshire	60.75	47.85	23.1	37.2
Barnsley	56.25	42.60	24.9	37.4
North Nottingham	52.15	38.40	21.9	32.1
North Derbyshire	51.65	39.80	19.2	33.8
South Yorkshire	51.35	42.00	17.2	40.3
North East	49.50	33.80	12.3	42.8
South Midlands	46.60	34.60	19.2	36.2
Western	44.00	29.65	18.7	40.5
South Nottingham	42.45	31.25	16.7	36.0
South Wales	31.50	21.70	11.4	58.8
Doncaster	27.10	21.10	20.7	39.4
Scotland	22.20	14.75	10.9	42.6

¹ Figures relate to the last week of April 1983

² Investment figures relate to seven years investment

Sources: Incomes Data Report No 424, May 1984
Labour Research, September 1983 and
NCB Accounts

The investment figures per head (for a seven year period) clearly show how investment has been concentrated in the 'central mining areas' rather than in peripheral areas such as Scotland and South Wales. This pattern of high investment in a limited number of areas, to create a number of 'super pits'

employing the latest computer-aided techniques, and only minimal investment elsewhere, has created further divisions within the NUM. In Scotland and South Wales the call has been for further investment to protect jobs, whilst in Yorkshire, Notts, Derbyshire and the Midlands the effect of investment in 'super-pits' had been to shut many smaller pits and, despite inter-pit transfers, reduce the overall number of jobs because of the lower manning levels on automated faces.

To the Government, the experience of 1972/4 reinforced the need to monitor the actions of those leading such national action and equally to reduce its vulnerability to national stoppages. Previous administrations had employed the Secret Service to monitor union leaders and activists. Both Conservative and Labour Administrations had used the Cabinet Office's operations centre (COBRA) with its direct contact between the cabinet and chief constables. The main policy initiative in the 1970s had been the reconstruction of the Civil Contingencies Unit (CCU) located in the Cabinet Office, which became the main Government instrument for dealing with major stoppages (Beynon & McMyler in Beynon, H (ed) *Digging Deeper*, Verso, London, 1985). While these institutions of State control had been developed and refined under both Labour and Conservative Governments, it is the symbolic importance to the Conservative Party of the miners' victory in 1974 which should not be overlooked. The bitter defeat of the party in 1974, arising out of the dispute, was a major factor in the party's adoption of the policies of Friedman, Hayek and Joseph in the late 1970s. One of Mrs Thatcher's first steps, on becoming leader of the Conservative Party, had been to seek a report from Lord Carrington, the Energy Minister in 1974, on the lessons to be drawn from the 1974 dispute. This report highlighted the bargaining power of relatively small groups of organised employees in the energy generating industries. The 'Ridley Report', leaked to the Economist in May 1978, represented the Conservative party's strategy to deal with such threats.

The 'Report' was a set of conclusions reached by a Conservative Party Policy Group, chaired by Nicholas Ridley, as to the necessary steps for the piecemeal privatisation of extensive sections of the nationalised industries by a future

Conservative Government. The first steps would be the establishment of strict financial targets. The Policy Group recognised that this would evoke challenges from the unions over wages and redundancies and that these should not be avoided but fought head-on, on pre-chosen ground. Following Carrington, it pinpointed the coal industry as the most likely battleground, and indicated that certain steps should be taken to prevent a repeat of 1974. In many respects these recommendations (the call to build up coal stocks, introduce dual coal/oil-firing where possible in power stations, encourage hauliers to employ non-union lorry drivers, establish a large, mobile squad of police equipped to deal with picketing, legal restrictions on picketing and reducing of social security benefits to strikers' dependents) constituted the blueprint for the first years of Conservative Government.

The NUM came near to a national confrontation with the NCB over pit closures in 1981. The relationship of 1981 to the 1984 strike parallels the relationship of the 1921 stoppage to the General Strike of 1926 in that the Government's plans to deal with the threat of national action by the NUM were still incomplete. There is evidence to suggest that the NCB played on this unreadiness to 'lever' additional financial assistance, above the financial limits, from the Government to the extent that the strike was called off. The insistence by the NCB that the rate of colliery closures would have to increase and the appointment of Mr MacGregor as Chairman in 1982, sounded new alarm bells for the NUM but can be seen as representing an acceleration of the process of 'slimming down' the industry to a core of profitable automated 'super pits' that had been underway since the late 1970s. MacGregor's appointment is also a symbol of breaking with the conventional patterns of industrial relations in the industry which had been based on a common identification and commitment to the industry and, in the Ezra/Gormley era, had led to a close relationship between the Chairman of the NCB and President of the NUM.

By 1984 the Government was prepared to weather the possibility of a long stoppage. The strike was to be presented as the final defeat of the excesses of trade union power. The policy of isolating the miners was virtually

complete via higher than expected settlements in electricity and gas to reduce the likelihood of such groups actively supporting the miners; this 'buying off' of support was to be extended to rail and dock workers during the strike. The Government was committed to this policy of direct confrontation for essentially three reasons. First, trends in energy consumption, suggested a long-term and considerable decline in the demand for coal and the world market price for coal further indicated the 'expensiveness' of British coal. This questioned the appropriateness of the 1974 Plan for Coal as a long-term strategy for the industry and suggested a need to reduce capacity especially of the most 'uneconomic' pits. Secondly, the Plan for Coal represented the outmoded ideas of voluntarism, tripartism, consensus and planning, all heresies to the new creeds of individualism and the free market economy. Above all, it 'demonstrated' the effects of the monopoly powers of trade unions on the labour market and on the democratic processes of government, and hence the need for a legislative and industrial policy which would curtail such excessive trade union powers.

The third factor was the Conservative Party's policy of privatising the public sector. The policy group on the nationalised industries, chaired by Nicholas Ridley (see the Economist, 27 May 1978, p21) concluded that the greatest opportunities for denationalisation were in coal, shipbuilding, docks, airports, motor car manufacture, buses and freight. It specifically suggested: the transfer of licensing of private coal mines from the National Coal Board to the Minister and the restriction of conditions of licence to safety considerations only; the transfer of coal royalties from the NCB to the state and the encouragement, wherever possible, of worker co-operatives at the smaller pits. The first stage would be to restructure the industry into a profitable and saleable form. Success in 'defeating' the miners would hold down labour costs and make those sections of the industry that have received high amounts of investments look even more attractive to private purchasers. The Government's current preoccupation with 'world market' coal prices initially seems strange, given the traditional minimal participation in such markets by both the NUM and the major coal purchasers. However, it would make sense if sections of the mining industry were purchased by multinational mining and oil corporations.

The recent extensive purchases of coal reserves by a number of the world's largest oil firms indicates the strength of potential commercial interest in the modern pit complexes of the UK coal industry.

THE DISPUTE

The immediate cause of the recent mining dispute was the announcement by the NCB in March 1984 of a cut in capacity of between four to eight million tonnes (implying the closure of approximately 20 pits). This action by the NCB ignored and broke all the established procedures to deal with pit closures which had led, largely peacefully, to agreements being reached to close 122 pits between 1970 and 1983.

The conduct of the strike is sufficiently well known not to warrant further repetition. The consequences of the lessons of 1972/4 can be shown by comparing the 1972 and 1974 stoppages. In 1972 power stations held 7.2 weeks supply; in 1984 they held seven months (plus the ability to switch to oil in addition to stockpiles held by the CEEGB in Holland). In 1972 263 pickets were arrested as against more than 9,000 in 1984. Such simple comparisons conceal, however, four significant features of the conduct of the dispute which are likely to have a long-term impact on British industrial relations.

The first concerns the volume and manner of arrests and bail conditions. From the beginning of the dispute it was apparent that new policing techniques were being adopted to counter attempts at mass picketing. The National Recording Centre facilitated both the deployment of large numbers of police in the coalfields, and the establishment of roadblocks at considerable distances from the picket lines. It is estimated by the chief constable of Nottingham that over 164,000 individuals were stopped from entering the county in the first twenty-seven weeks of the stoppage, while in Scotland, Motherwell was virtually cordoned off from the outside world. At picket lines police were able to draw on constables trained in riot control techniques. By the summer, as the pickets retreated to the mining areas, the focus of policing turned to the mining communities. Considerable disquiet was expressed by, amongst others, the National Council for Civil Liberties,

regarding the techniques adopted in the 'aggressive policing' of these communities. Further disquiet was expressed by the National Association of Probation Officers as to some of the bail conditions which applied to more than 4,000 of those charged. The imposition of curfews, daily reporting to police, debarring from picketing, attending meetings/demonstrations and entering specified areas was both a new approach to industrial disputes and served to weaken the NUM's ability to organise and man picket lines.

Whilst these new techniques were effective in maintaining law and order and in limiting the expressions of industrial unrest, they are not a substitute for negotiation. Giving the police a central role in disputes may shorten the duration of strikes but is likely to exacerbate the difficulties in resolving the differences between management and employer and in recreating a consensus which enables efficient production.

By the end of January, 9,374 persons had been arrested, of which approximately 20% were never charged, a further 20% were acquitted, 2,308 were fined and 141 received prison sentences (with a further 23 in detention centres, 4 in youth custody, 21 remanded in custody and 9 in police custody). Tables 2 and 3 illustrate the changing policy of dealing with those arrested during the dispute and the relatively low proportion of violent offences.

Curiously, the beginning of the 'back to work' phase of the strike was marked by a rise in the percentage of charges which carried the possibility of prison sentences, especially conspiracy charges under the 1875 Conspiracy and Protection of Property Act. It is unclear why there should be such a policy change at a time when the number of police deployed was being reduced, and why an 110 year-old act should be preferred to the measures available under the 1980 Act passed by the present administration.

Secondly, the dispute was apparently marked by a general reluctance by the NCB and other nationalised industries such as steel and rail who were closely affected, to use the new legislation and its remedies against picketing and secondary action. Instead some 640 charges were

Table 2 Breakdown of charges (May 1984 - January 1985)

	1984			1985
	31 May	10 Jul	25 Sep	29 Jan
Obstruction/ breach of peace	2,352 (7%)	3,431 (73%)	5,218 (67%)	6,425 (65%)
Offences connected with violence	273 (9%)	502 (11%)	758 (10%)	836 (8%)
Conspiracy etc	64 (2%)	307 (6%)	754 (10%)	942 (10%)

Source: Labour Research, March 1985

Table 3 Fines imposed by the courts

Amount of fine	Numbers fined by:		
	24 Oct	11 Dec	1 Feb
under £49	267 (21%)	505 (25%)	562 (24%)
£ 50-£ 99	558 (45%)	843 (42%)	988 (43%)
£100-£149	265 (21%)	391 (20%)	488 (21%)
£150 plus	154 (12%)	254 (13%)	270 (12%)

Source: Labour Research, March 1985

brought under the 1875 Act, while the common law of trusteeship invoked against their union by working miners together with other civil actions led to the sequestration of NUM funds. However, there is no way of quantifying the degree to which the new employment laws acted as a deterrent on other unions from putting TUC Congress resolutions on support into the form of practical action. With the exception of the rail unions, support for the NUM on the part of other unions took place via financial contributions only.

In a third way the dispute was different from earlier national disputes in the public sector. Initially both NUM and NCB ignored the tried and tested methods of mediation and conciliation. Similarly the Government chose not to encourage intervention by ACAS nor to establish a court of inquiry into the circumstances and potential solutions to the dispute. The Prime Minister let it be known that the Government was prepared for a year-

long stoppage, and half-way through the strike the Chancellor, Nigel Lawson, told the House of Commons that when the cost of the dispute (which at that stage he put at £350m) were balanced against the 1983 subsidy to the NCB (which he gave as £1bn+) then the strike represented "a worthwhile investment for the nation" (Hansard, 31 July 1984). Stockbrokers Simon and Coates put the effect on GDP at the end of January at £5.2bn.

More significantly, the dispute was a further example of the Government's refusal to enter into collective bargaining as it has been practiced in the public sector for the last 65 years. The policy of stating at the outset what the Government can 'afford', making the initial offer in collective bargaining the final offer, is similar to the American labour relations practice of Boulwarism. The National Labor Relations Board in the United States has ruled that such a technique, which renders the trade union largely irrelevant, does not represent bargaining in good faith. The adoption of such a practice in Britain indicates the extent to which the Government has moved away from the traditional belief in free collective bargaining as being the best means to establish the terms and conditions of employment for public sector employees and away from the traditional policy of encouraging and supporting trade unionism in public sector employment.

Finally, unlike almost all other national stoppages, the miners' strike was characterised by a number of disquieting events and the curious involvement and links of a number of individuals. Whilst all governments have monitored the actions of those, including trade unionists, whom they believe threaten the stability of the state, few have transmitted such information to 'independent managements' such as senior executives of the NCB. The disclosure, however trivial, by the NCB of the state of health of Mr Scargill illustrates both the extent to which the state actively monitored the leader of the miners, and indiscriminately disseminated that information. In addition, the dispute was marked by the curious and arguably unfortunate intervention of a number of individuals associated with the Conservative Party.

The role of David Hart, adviser to Mrs Thatcher and MacGregor and influential organiser in the formation of the National

Working Miners' Committee, has been widely reported. Less well known has been the role of Tim Bell, another Thatcher aid, and ex-director of Saatchi and Saatchi who designed the working miners' publicity material. Whilst not entirely unexpected, it was unfortunate that large numbers of the Conservative Party chose to become involved in the dispute as legal advisers. In particular, the acceptance by the PPS to the Attorney General, the Conservative MP for Mid-Bedfordshire, of a brief to act as QC for the Derbyshire miners raises questions of political judgement and the involvement of senior Conservatives in the conduct of an industrial dispute. Equally questionable, was the support for working miners which came from groups associated with the Centre for Policy Studies or with financial involvement in the mining industry. The action of Lord Taylor, of Taylor and Woodrow, in contributing to the working miners raises issues of financial propriety given his company's series of profitable contracts on operating open cast mines on behalf of the NCB. At the same time, the NUM's Libyan connection, initial aloofness from the TUC and leadership style weakened potential support from within the trade union movement and encouraged the moderate sections of the NUM to pursue their independent line.

THE FUTURE

Quite clearly, the future industrial relations of the coal industry will be dominated by the continuing process of slimming down as a precursor to privatisation. As late as December 1984, MacGregor, while admitting it was not appropriate to mention privatisation during the strike, ventured the view that "in the long-term there is no doubt that opportunities like this will arise as they have done in other industries like British Telecom and British Airways".

This will necessitate a continuing policy of weakening the union and union activists, a renewal of the local productivity scheme and the breakup of the national negotiating procedure.

Developments elsewhere in the public sector are harder to predict, although the same basic policy of reducing the power and influence of the trade unions will be a key element. The Ridley Report,

arguably the cornerstone of the Conservative Government's strategy for public sector unions, focussed on the nationalised industries and essentially actions by manual workers. The strategy was not designed to respond to disputes in the National Health Service (the joint action by nurses and ancillaries), Civil Service (especially action affecting the inputting of data to computers in the revenue generating departments) and in the current national action involving school teachers. The first general changes in the public sector will be the extension and development of the basic strategy outlined in the Ridley Report to these sectors.

Already the determination of pay and conditions for nursing staff has been withdrawn from the standing Whitley machinery for the NHS in the hope of reducing the likelihood of joint action by medical and ancillary staff. Contingency plans have been made to regionalise the computer services of the major Civil Service departments and, thus, reduce the vulnerability of the Government to strikes by such 'key' personnel. Sir Keith Joseph's recent statement on transferring the whole burden of teachers pay to the rates is a logical first step to breaking up the national pay structure and leading to the determination of pay and conditions becoming a regional or county council decision.

The present Government's policy of dismantling the traditional practices and principles of British industrial relations may well result in major problems for future administrations. If collective bargaining can no longer be relied on to attain compromise between management and employees, and strikes are so constrained in their form and content that they can no longer exert an influence on management, it is likely that industrial conflict, far from withering away, will take on new forms. A policy which ignores the underlying reasons and values of bargaining may, as this dispute has shown, produce an increasing politicisation of labour relations and a bitterness manifested in acts of violence and sabotage. The Government's industrial relations policy may well engender neither a quiescent subdued labour force nor a new air of realism accompanying an economic upturn, but rather an underlying sense of revenge and injustice.