

## PRESIDENTIAL ADDRESS

MR. F. COLLINGDRIDGE (Vice-President): Fellow delegates, it is my privilege to take over the proceedings of Conference for a brief period. I am now going to ask the President to make his Annual Address to Conference, and I have much pleasure in calling upon Mr. Sidney Ford.

CHAIRMAN: Fellow members, it is highly probable that by the time we meet again in Annual Conference next year, the people of this country will have had the opportunity to choose a new Government. As mineworkers' representatives we can, with complete confidence, assure the Labour Party of our overwhelming support, but we have to recognise that to bring about the return of the Labour Party to full and democratically unchallengeable control of the machinery of

Government in this country, it will be necessary for Labour to win many constituencies in addition to those in the mining and industrial areas.

Over the next few months we can expect the spotlight of the Tory propaganda machine to be directed against the policy of the Labour Movement, particularly as it concerns Public Ownership. This morning, at the risk of being accused of repetition, I want to remind the British public of the achievements of the coalmining industry since it was nationalised, and, indeed, to claim that the setbacks that we have experienced over the last five years could have been avoided had we been working under a Labour Government—a Government that was committed to a policy of public ownership and believed in its success.

The decision of the British people eighteen years ago this month, opened up a new era for the coalmining industry, for it meant that after years of struggle, a Government pledged to organise the coalmining industry on the basis of national service rather than private profit, had been returned to power.

Private enterprise had taken a heavy toll in the coalmining industry; even after full allowance is made for the special problems and difficulties which can be directly attributed to war conditions, the fact remains that by 1945 the coalmining industry was in a most parlous state. The total annual output of coal had fallen to 175 million tons, the lowest production in any year this century; the average output per man per year had fallen to 246 tons, the lowest figure for 20 years, whilst manpower in the region of 700,000 was some 450,000 less than it had been at the end of the first World War. Judged by any ordinary standards, private enterprise in the British coalmining industry stood condemned; under the banner of free enterprise and in the pursuit of private profit, it had failed to serve the nation and had brought despair and heartache to thousands of mineworkers and their families who had served the industry well.

The fact that the industry, as all the experts conceded, had been allowed to drift into a shocking state of inefficiency, meant that the National Coal Board was faced, from the very outset, with the colossal task of restoring the productive capacity of the industry, in order that it might meet, not only the increasing post-war demand for coal, but the long-term demands of both the inland and export markets.

In those earlier years of nationalisation there arose the inevitable conflict between the dual needs, (i) to maintain the highest possible current output and, (ii) to bring about the complete reorganisation and modernisation of the industry; this often meant in the case of individual collieries, a very difficult decision as to whether current production should be maintained and if possible increased, with the consequent slowing down of reconstruction work, or whether the latter should take precedence and current production be sacrificed.

The performance of the coalmining industry after 16½ years of nationalisation must be judged in the light of these problems and circumstances, which were not, I would remind you, the creation of nationalisation, but the depressing and tragic legacy of private enterprise, which had left the industry woefully ill-equipped to meet the demands that were to be made on it in the first

decade of nationalisation. Thus, in spite of an increase of nearly 40 million tons in overall production in the seven years from 1945 to 1952 when 214 million tons were produced, the industry failed to satisfy the ever increasing demand for coal. The burden of seeking to increase production, often at the expense of necessary reconstruction work, coupled with the quite abnormal difficulties of the immediate post-war years, particularly the inability of the industry to attract sufficient manpower and the shortage of materials, proved too much. The nation, faced with a deficiency in the supply of coal, turned more and more to alternative fuels, relied to a limited extent on coal imports and took steps to reduce exports.

The results of all this, coupled with the failure of successive Tory Governments to promote a national fuel policy designed to encourage the maximum use of indigenous fuel, have bedevilled the industry over the past five years. But in spite of the stresses and strains we have experienced in recent years, there is much about the industry of today that is a splendid testimony both to those who introduced nationalisation and to all those who have participated in the creation of a re-organised and revitalised coalmining industry.

Just what has the nationalised coalmining industry achieved?

Since 1945, output per manshift worked has increased by more than 65 per cent. Today, with 175,000 less men employed, the nationalised coalmining industry is producing nearly 20 million tons more coal per annum than was being produced under private enterprise. Over the past two years there has been an improvement of between 15 to 16 per cent in efficiency. In spite of there being nearly 50,000 less men employed in the industry, our average weekly output of deep-mined coal during the first 24 weeks of this year has exceeded that for the same period of two years ago, by no less than 300,000 tons. No other industry in this country, I maintain, can claim a better record than this.

Alongside this great upward surge in efficiency, there have been substantial improvements in the wages and other conditions of employment of those employed in the industry.

Contrary to the claims of those who opposed nationalisation, that under public ownership there would be an "ultimate resort to the pocket of the taxpayer"—and there are still those opponents of nationalisation who would have the public believe this—it is the fact that the colossal financial burden involved in compensating the ex-colliery owners for the assets which were transferred to the National Coal Board and the very heavy capital expenditure involved in re-organising and modernising the industry—in all amounting to no less than £1,415 million—has been carried by the coalmining industry.

It was never our conception that the nationalised coalmining industry should be maintained at the expense of the taxpayer. I want to emphasise—I want the British public to understand—that we in the coalmining industry have not betrayed the trust that the nation placed in us when the Labour Government nationalised the industry in 1947.

The current annual cost to the coalmining industry of interest payments on advances made by the Minister of Power, in order to facilitate the purchase of

the colliery companies' assets and to finance the re-organisation and modernisation programme—now showing such dividends in the form of increased efficiency—is in the region of £44 million; the total of these payments since nationalisation now amounts to nearly £400 million.

As I said at last year's Labour Party Annual Conference: "We have every reason to be proud, not, of course, satisfied, but proud of the achievements of the nationalised coalmining industry since January, 1947." I suggest, we owe a deep debt of gratitude to the Labour Government of 1945 for nationalising the coalmining industry; let us all pledge ourselves to support a united and sustained effort over the coming months, in order to secure the return of another Labour Government.

But the achievements of the industry in the field of production will be of little or no benefit if we fail as a nation to make full and proper use of the very substantial reserves of coal that we have available in this country. Adequate supplies of energy and power are absolutely vital to our economy, and this will be so, as long as we remain an industrial nation. We therefore owe it to posterity to ensure that our very valuable and abundant natural fuel resources shall be used with care and restraint; that we of this generation shall do nothing to endanger these indigenous fuel supplies on which future generations will rely.

The need for a national fuel policy is accepted by the Labour Party. Such a policy, which would recognise the long-term economic value of this country's indigenous source of fuel and would take full account of the strategic advantages and the growing importance of coal as an export commodity, could have a most important bearing on the level of this country's economy, 20 to 30 years hence.

There has been, in certain quarters, wholesale criticism of the decision to retain the fuel oil tax. But why should there not be protection for coal? Why should the nation not protect what is ours? Why should we British not protect what is British? And there is nothing more British than the coal on which great tracts of our island stand.

We are told that "such sheltering is hardly a spur to industrial efficiency." There is no need for me to reply to this criticism; the working results of the coalmining industry since April, 1961, when the fuel tax was introduced—and I have previously referred to the very considerable progress that has been made over the past two years—are in themselves a complete answer to this kind of criticism.

"But what," I would ask those who complain about this limited protectionist policy, "what was the alternative?" An acceleration in the demand for oil to the exclusion of coal, would have necessitated a further deliberate contraction of the coalmining industry, with all its tragic consequences, not only for some thousands of today's British citizens, who would have to face long-term unemployment and all that that would entail, but also for British citizens of tomorrow, because the closure of collieries can often mean the abandonment for ever of very valuable reserves of coal, or alternatively, inflict on future

generations the burden of prohibitive investment if they wish to reclaim these valuable indigenous assets which some people of this age would, apparently, so wantonly destroy.

The re-organisation of the industry in order to attain and progressively maintain the highest state of efficiency, required the introduction of modern mining techniques; new and improved machinery designed to limit, if not eliminate altogether, the laborious work of manhandling coal; the modernisation of haulage and handling systems, both underground and on the surface; and of course it meant that over the years the industry would have to be constantly applying new techniques based upon up-to-date scientific and technical development.

Considerable progress has been made in fulfilment of these objectives. But the application of modern mining and engineering techniques has inevitably created new problems, not least of which is that concerning the future manpower requirements of the industry and the distribution of manpower at the different working places within collieries. The introduction of new and more efficient equipment invariably means some redistribution of manpower, and experience of the last 10 years has shown that the percentage of workmen employed at the coal face is steadily falling.

The effect of all this is two-fold; first, there is the very deeprooted fear that the introduction of modern mechanical equipment and devices will lead to eventual redundancy for certain workmen; and secondly, there is the economic issue arising from the fact that, as the concentration of piecework is mainly at the coal face, any relative reduction in face manpower must reduce the opportunity of piecework, thus committing a larger proportion of the total manpower to daywage rates.

With regard, first, to the fear of redundancy, whilst there may be isolated cases of difficulty, taking the overall picture, I do not believe that the application of modern techniques and automatic processes in industry constitutes any ultimate threat to employment.

The contraction of the industry's manpower between 1957 and 1960 by some 120,000, came about, not as a consequence of the introduction of more mechanisation, but as the direct result of the shrinking coal market.

The wholesale unemployment that we experienced in the 20's and the 30's stemmed, not from the introduction of more efficient methods of production—indeed, our complaint as a Union in those years, was that “the equipment of British mines was far behind” that of other coal producing countries where, we claimed, mechanisation had “advanced to a far greater extent than in this country”—but from our inability to maintain the market for coal. As in the 20's and the 30's the problem since 1957, when we were forced to cut back production, has been basically one of under-consumption rather than over-production.

The introduction of automatic processes and more efficient methods of working, have certainly changed the pattern and distribution of overall employment throughout the country; but the fact is, that in spite of more

efficient methods of production and administration leading to higher productivity, total employment in this country has steadily increased since the end of the war. Indeed, it is our claim within the Labour Movement, that, but for the policies of successive Tory Governments, this country's economy could have expanded at a faster pace and to a greater extent than has been the case, thereby offering employment to an even greater number of people.

A coalmining industry without modern equipment, a coalmining industry denied the advantages of modern scientific and technological progress, would surely be a doomed industry. No industry can afford to stand still in the search for greater efficiency; we must continually strive to take the greatest possible advantage of "our brilliant technological potential," which, as the Rt. Hon. Harold Wilson, M.P., reminded us in his recent May Day message, has been so shamefully wasted over the past decade.

To those who are ever ready to applaud and glorify the progress that has been made through the introduction of new and modern machinery and equipment into the pits of Soviet Russia, Poland and other Iron Curtain countries, but would have us believe that similar action in our own industry would spell disaster for our members, I would say that this is hypocrisy in the extreme; such attitudes, so obviously influenced by a certain political philosophy, are not likely to serve the best interests of our members.

For my own part, I believe we are far more likely to succeed in achieving our aims as a Union if we recognise and accept that great technological changes are taking place and if we make up our minds to take advantage of this to improve the standard of efficiency within the coalmining industry. Only if we do this, can we expect to achieve for the great mass of the members we represent, that higher average standard of living and security to which we aspire.

Inevitably, the changes to which I have referred will have their impact on wages and conditions of employment. The era when physical effort and agility were the basic factors in determining the rate of productivity, is fast coming to an end. The introduction of more intensive mechanisation and automatic processes will demand a new emphasis in skills, in regard to both operating and servicing the new equipment, and these skills and new responsibilities will have to be properly rewarded.

Again, the high level of efficiency that we have attained in respect of a considerable part of today's coal production depends very largely on sound team-work and this calls for a greater concentration of effort on the part of daywagmen; in the circumstances it is not surprising that they should expect some provision to be made within the wages structure, whereby they could share the benefits that must accrue as a consequence of the overall improvement in productivity within the industry.

It is generally agreed within the Union that the present wages structure does not provide for a fair and satisfactory return to all the industrial grades concerned with the production of coal. But here let me issue a warning. We will not achieve a satisfactory wages structure, i.e., a wages structure free from

anomalies, on the strength of slogans and popular clichés; there is, let me assure you, no short cut to perfection; it will come about only as a result of deep and serious thought and examination and may well call for a radical change in our traditional attitude towards wages structures.

It may be that the solution lies in the proposition enumerated as part of the first item of the original "Charter of Demands," i.e., through the "general application of the daywage system." I am not unmindful of the difficulties that are inherent in this idea; this alternative could well offer to many workmen a better average standard of living over a lifetime; but the tradition of piecework, deeply ingrained as it is, because of the material advantages that it offers to certain workmen for a limited period of their working life, is such as to make the advancement of such a policy an extremely hazardous operation, and one which would most certainly present a very real challenge to the Union.

Although we have as yet formulated no firm proposals, we have raised with the Board the possibility of specially rewarding men for long and faithful service to the industry, and providing some special allowance to men on shift work. We have also raised the question of some provision being made for a collective bonus for daywagemen, in order that they might share in the increased prosperity of the industry. We have had experience of a production bonus; we have experienced the difficulties connected with the setting of "standard" outputs; the "weighting" of actual output to compensate for losses of output due to abnormal occurrences and holidays; the adjustment of "standard" outputs to take account of changed conditions; and whether the bonus should be based on a national, divisional, area or even pit performance. It may be that the answer lies, not in taking output as a basis for such a scheme, but productivity, or even cost levels. These matters and indeed many other facets of the question of wages will demand our detailed and serious consideration over the coming months, if we are to formulate a set of proposals which would offer our members a fairer distribution of that part of the industry's resources which is set aside to remunerate the Board's employees.

Before I leave the subject of wages and conditions of service, there is one matter about which I believe both the Board and we ourselves must give rather more intensive thought and consideration in the future: I have in mind the question of pensions.

The introduction of the Mineworkers' Pension Scheme in 1952 gave men within the industry the opportunity to make provision, beyond the ordinary State pension arrangements, in order that they might maintain a standard of comfort in their years of retirement which would be above the subsistence level on which the State scheme is based.

It is not easy to convince young men that it is in their interests that they should set aside some part of their income for this purpose; after all, retirement to the young man in his 20's is somewhat remote, and the need to make provision for a pension does not, therefore, have the same impact on him as it might well have on the middle aged man, often with family responsibilities. But if the financial commitments of contributors to any

pension scheme are to be reasonably tolerable, the commitment must be accepted from an early age; and it is our duty to impress upon the younger generation this essential requirement in respect of pensions.

There is, not surprisingly, a tendency within the industry to compare the less favourable benefits paid under the Mineworkers' Pension Scheme, with the benefits provided under the Staff Superannuation Scheme; and the fact that members of the former pay substantially less contributions than those made by contributors under the Staff Scheme, does not wholly explain the difference in benefits provided by the two schemes.

By any reasonable standard of morality, it does seem to me to be quite wrong that that part of the industry's resources set aside for Pension purposes—to which all employees of the Board make their appropriate contribution, having regard to the task set them or the responsibility imposed upon them—should be so unevenly distributed as between two quite separate funds, providing, as they do, such very different standards of benefits.

This quite unsatisfactory state of affairs is all the more incongruous when it is realised that in this matter we are being conditioned in the '60's, not so much by the "good employer" principles which are supposed to guide the Board, but by circumstances operating in the industry prior to nationalisation. For it is the fact that the introduction of a Superannuation Scheme covering the staff of the industry was made necessary by the nature of the various commitments and obligations which were to be transferred from the colliery companies to the National Coal Board with effect from Vesting Date. By substituting a single national scheme for the large number of colliery company schemes (including some insurances) as well as many arrangements based on customary practice, the Board solved what would otherwise have been a very complex administrative problem, and at the same time satisfied one of the many obligations which they were called upon to carry under the provisions of the Coal Industry Nationalisation Act. Needless to say, no such obligation existed in respect of the industrial grades.

We were, as a Union, made aware of the intentions of the Board in this matter, and approved them; but it was never our conception that the distinction between the staff grades and the industrial grades for pension purposes should continue in perpetuity. Indeed, as long ago as 1947 this Union firmly declared its intention to seek a superannuation or pensions scheme for all mineworkers "not less favourable" than the Staff Scheme.

This continues to be our aim; 1952 was but the first stage, and we will continually strive to bring about improvements.

But let no one imagine that the provision of the kind of benefits we have in mind as a Union, will be anything but an extremely costly item, which can only be met out of the industry's resources.

In our anxiety to obtain improvements, do not let us minimise just what is involved. Unsatisfactory as are the present levels of benefits provided by the Mineworkers' Pension Scheme, it has been necessary for the industry to contribute nearly £70 million and for the mineworker members to contribute nearly £22 million over the past 11 years, in order to make possible even the "token" payments to which the scheme is currently committed.

But I believe we have now reached a stage where we have to appeal to the Board to "think big" in this matter. Why should we not set aside for mineworkers' pensions some part of the industry's increased resources which stem from its progressively increasing efficiency?

I want now to turn to the question of our relationships with the Board. Some years ago, the Rt. Hon. Emanuel Shinwell, M.P., said: "No scheme of national ownership can succeed without the willing co-operation of all the partners in the industry. All the efforts in the direction of reorganisation, of mechanisation and expansion, and of improvement in labour conditions will prove fruitless as long as the industry is based on the principle of 'Boss' and 'Worker'."

It is unfortunate that after 16 years of nationalisation there is still, in some quarters, an unyielding suspicion of, and hostility towards, management. In the case of some managements this may be well-founded; to such managements I would make the point that goodwill and co-operation must be mutual; all the reorganisation and new techniques, all the machinery in the world, will be of no avail if management fails to earn the co-operation and loyalty of its employees. Consultation and all that should flow from it, was not intended as some gimmick; it was intended to provide an opportunity for all sections of the industry to play a part in solving the industry's problems. At the same time, it would be quite wrong to exaggerate this problem; for looking at the industry as a whole, there has been a very big improvement in this connection and as time progresses the Board's training schemes will, I am sure, result in still further improvements.

But the task of developing the right attitudes in this industry is made all the more difficult by the incessant preaching of anti-Board, anti-management propaganda by certain people. During the past twelve months we have had a new experience, in that before entering into formal negotiations, the Chairman of the Board had publicly acknowledged our entitlement to increased wages; again, the Board have taken the initiative in proposing improvements in respect of certain other conditions of employment. But this new attitude, according to some people, must be treated with extreme caution, indeed, should be viewed with suspicion.

Quite frankly, I welcome this tangible evidence of the new spirit to which the Chairman of the Board has referred in recent public pronouncements, when he made the point that employers should take the initiative in promoting improvements in the conditions of service of their employees. Is there anything wrong with this? Surely this attitude is a natural corollary of the "good employer" concept, as advanced by the Labour Government when introducing nationalisation? In my view, this augurs well for the future. What have we to fear from this more enlightened approach to industrial relations? I am not disposed to share the fears of those who see in this changed attitude, some underlying threat to the Union. As a Union we have a vital and distinctive role to play in this nationalised industry and I am sufficiently confident in our ability to carry out those functions which are implicit in our constitution, that I do not experience any sense of challenge from the Board in this

particular connection. What is more, I am sufficiently confident of the good sense of the Chairman of the Board and his colleagues to believe that in all their deliberations they recognise the role of the National Union of Mine-workers within this industry, and fully understand that only by so doing can they hope to succeed in the task that has been set for them as members of the National Coal Board.

We are told on occasions that our activities should be spiced with some militancy. For my own part, I make no apology for some reluctance to spread the gospel of war. I share the view, held by the overwhelming mass of the people of this country, that international problems should be settled in a peaceful manner through negotiation and agreement; I see no reason why we should not apply this same basic principle to our everyday work in the field of industrial relations.

I expect the National Coal Board to respond in the same spirit.

We have all the necessary formal machinery under which it is possible to resolve any and every problem concerning either industrial relations or consultation on any aspect of the industry's operations; but this will be of no consequence unless we can develop a higher sense of partnership in this industry.

No longer are we as a Union in opposition to a force the prime motive of which is profit. No longer is this industry the property of a comparatively few company directors and shareholders; neither is it the property of Lord Robens and his colleagues who make up the National Coal Board. Members of the National Coal Board, members of Divisional Boards and officials employed in the Coal Board Areas are, like our members, all employees of this great national corporation, the National Coal Board.

It was the purpose of nationalisation that the rank and file of the industry along with the managerial and policy-making elements, should be partners in what is regarded as a national service.

In these circumstances, attitudes and strategies based on the inevitability of struggle with the Board, are pathetically out-moded and have long since become, I suggest, not a little wearisome, particularly to the younger generation.

Although we have from time to time as a Union expressed some concern about the National Coal Board's administration, it must be acknowledged that little or no evidence has ever been made available to support the view that there is any general over-staffing within the industry.

Naturally, any organisation that relies on the income derived from the sales of its product for its revenue, must practise economy in regard to its non-operational expenditure, wherever this is possible without impairing the overall efficiency of the organisation. In this connection, I welcome the steps that have been taken by the Board to align its area administration and organisation more closely to the potential productive capacity of the different collieries throughout the country; this has meant an overall reduction in the

number of Coal Board Areas and, more recently, certain changes in its Divisional organisation covering the Northern coalfields.

These changes will, I am sure, prove of general benefit to the industry, but there is another aspect of the Board's organisation which in my view warrants careful re-examination. Twelve years ago this Union expressed the view that a single department of the Board should be responsible for dealing with questions concerning the remuneration and conditions of employment of all employees of the National Coal Board. Four years later this view was endorsed by the Advisory Committee on the Board's Organisation (The Fleck Committee) when they reported that "Ideally all the Board's personnel functions should be carried out by a single department." The Fleck Committee, however, advised against any immediate implementation of this proposal on the grounds that the "human problems of the industry" were too "immense and pressing" to expect a single department to cope under the then present circumstances. But that, I would remind you, was eight years ago; many of the arguments which must have influenced the Fleck Committee in this connection and which caused them to reach the conclusion that a single department was required, are, I suggest, all the more valid in the circumstances of the industry today; and I believe the matter is one which ought to be carefully reviewed, not only by the Board itself, but by the Minister of Power, with a view to appropriate changes in the Board's organisation being made during the course of the next year or so.

I turn now, in conclusion, to a matter which in preparing my Address of last year, I considered of sufficient importance to warrant coverage in the opening paragraphs. The fact that this year I have left safety and health until this late stage, must not be taken as an indication that it has become, in my mind, any less urgent; I can only hope that dealing with it in this way will somehow lend greater emphasis to this grave problem of accidents in the coalmining industry.

1962 was a year in which all sections of the industry—management, men and H.M. Inspectorate—co-operated in a nation-wide joint effort to prevent accidents, but it is the tragic fact that in spite of everything that was done in this connection, the position actually deteriorated; that there should have been an increase in accidents in a year set aside as National Safety Year was particularly disappointing.

I am appalled by the constant drain on our manpower as a result of accidents and disease; it remains the tragedy of this industry that despite all the technological and scientific advancement of recent years, this progress has not been reflected in the incidence of accidents and disease.

Far, far too many accidents occur simply because of a failure on the part of individuals to exercise ordinary care. Last year I made the point that safety and efficiency are indivisible; the Safety Year campaign has shown conclusively that it is the efficient pit that is the relatively safe pit.

All of us, the Board and Union, management and men, must redouble our

efforts to achieve greater safety and a higher standard of health in this industry. This must be our constant aim.

Let us, therefore, devote our efforts in the future to securing: the early return of a Labour Government; a continuing improvement in the efficiency of our industry; a more realistic wages structure; a more equable pension scheme; a more generally constructive and co-operative attitude in respect of conciliation and consultation; and, above all else, a reduction in the industry's tragic accident rate and an improved standard of health.