

PRESIDENTIAL ADDRESS

MR. M. McGAHEY (Vice-President): Fellow Delegates, it gives me great pleasure to call upon the President to deliver his Presidential Address. Mr. Joe Gormley.

CHAIRMAN: The bane of my life, this. The worst part of a President's job is to give his Presidential Address every year and have to go from a written script. It takes me weeks and weeks to make my mind up to start writing it, and when I have written it it is out of date.

A few weeks ago, I was reading a book called "The Miner", in which the author was trying to portray some of the trials and tribulations which miners faced in their work during the 18th and 19th centuries, and it continued up to the beginning of this present century. He spoke of the terrible conditions under which miners, and not only miners, but women and children, had to slave to bring the coal out of the pit in order to gratify the greed of the old coal owners and not only the terrible working conditions, but inadequate payment for carrying out this task. He spoke also, of the continual attempts to organise and the terrific struggles which our forbears had, trying to get a united voice raised against the old coal owners, who in those days were in control of the law and the courts, so that any redress was always to the advantage of the coal owners. He spoke of the many attempts to get organised and the many defeats along the way, until on reaching the 20th century, it seemed that the continual attempts to organise would be completely unrewarded.

Then, he spoke of the strike of 1911 and gradually he continued to the first world war when coal was, of course, in great demand, until we reached the old familiar pattern after the war of attempted wage cutting, which led to the Dispute in 1921, at which time we heard the first battle cry of the need to nationalise this coal industry. Our forefathers, in their

determination to form a good Union, also were determined to form an industry, which could provide a good standard of living, a good standard of working conditions and good wages and security of job for the people, who have to undertake this still onerous task of getting coal.

They were successful, because although we had to go through a depression in the 1930's, when the whole country was involved in wage cutting procedures, finally after the second world war, which was a repetition of the first and which once again illustrated the value of the coal industry, we saw the formation of a Labour Government, dedicated to a Socialist programme, we saw the Coal Industry Nationalisation Act passed by that Government and all of us in the Industry rejoiced at this new era. We thought it would constitute a wonderful panacea in ensuring that the Industry would grow from strength to strength, and the voice of the miners would become a more important voice in the economic history of the country. However, we found to our sorrow that the very act of nationalisation does not create a successful industry. It needs the full co-operation and ability of everyone in the Industry. We had the terrible problems facing us in the 1960's, when various Governments decided that the need for coal wasn't as obvious for the economic recovery of Britain as it had been during the war years and immediately after, because the world had found a cheaper source of energy, which they thought was in inexhaustible supply. However, events have proved them wrong because the other supplies of energy such as oil and gas had, as we forecast they would have, their own weaknesses. We had argued all along that it was political and economic suicide to allow the industries of Britain to be geared to an imported source of energy such as oil from the Middle Eastern countries and other countries. Only after a long struggle were we able to claim the full backing of the Trade Union Movement, our own political party and finally the present Government, through the tripartite Examination.

But we still have problems in convincing our members about the future prospects and we have to ask ourselves "what do we have to do to put things right?" What we have to do as Socialists is to try to make a success of this nationalised industry of ours, so that it can be an example to show how a nationalised industry, which produces coal, can be financially successful, can be making a wonderful contribution to the economic wellbeing of the country and provide the energy for British Industry at a price and a quality, which will benefit not only the Coal Industry, but the whole of British Industry and therefore the British people. If we can do that, we shall disarm all the critics of nationalisation, who can thwart the plans of those of us who, through our socialist upbringing, believe that the wealth of the country, produced by the workers of the country, should be used for the betterment of the country and all the people therein.

The difficulty at this time of the year is that things are moving so fast politically and industrially in this country, that in thinking about the issues to include in a Presidential Address in 1976, the problem was in deciding what to leave out in an eventful year such as this, a year which for most industries has been a depressing scene, with low economic

activity bringing unemployment to those who enjoyed great prosperity and security in the years that were dark and depressing for coal-miners in the '60's. However, when our fortunes changed and we switched from defence to attack we found many friends waiting to help in 1972 and 1974. Now, when many of these friends are in less favourable circumstances than us, we should not forget the debt we owe to them and the country, and that is why a majority of our members decided by ballot vote that the Union would support the Government's strategy to restore full employment, curb inflation and bring a new prosperity to us all. In other words, 50 years on from 1926, the miners did not select to use their strength and go it alone as they were forced to do from weakness in 1926. The lesson had been well taken.

It was a hard lesson for those who suffered and there were a lot of them. In 1925, 1,102,400 miners produced 243,176,231 tons of coal for an average pay of 10s. 6d., per shift. In 1927, 1,023,886 miners produced 251,232,336 tons at an average of 10s. 3d. per shift. More coal, longer hours, fewer men, earning less pay, and average earnings dropped for the following two years even though more coal was being produced than in 1925. So we can see that not everyone, even in this Conference, can look back on the historic events of 1926 and find cause for celebration 50 years on. It served only to expose the hard fact of life that together the Trade Union Movement can achieve a great deal for those people whom it serves, but the other path where sections pursue their own interests can be long and expensive. This is also true within this great Union of ours and there have been instances in the past year when the objectives of the N.E.C. may have appeared blurred to the membership because too many in the team wanted to demonstrate their individual flair. In the year ahead we must close our ranks and tighten our discipline and work together on the new programme, we have put together since the last Conference. Some of it has been forced on us by circumstances as we have had to rearrange our priorities within the limits imposed by the economic strategy of the Government and the T.U.C. But perhaps we have been more influenced by the realisation that social wages which some people call fringe benefits, can contribute more to the standard of living of our members than money wages, which lose their value so rapidly even in times of moderate inflation, whereas the values of concessionary coal, free clothing and subsidised transport and a lot of other things appreciate in real value each year. After all, these commodities would have to be bought at increased prices each year, so the contribution that these concessions make to the living standards of our people is very important.

So we have examined other ways in which we may be able to provide an edge against lowering standards in the future. The programme presently under consideration by the Union and the N.C.B. and to be more fully reported by Lawrence later, would have been more than our predecessors would have dared to dream about when they were fighting for pennies in 1926, or even in the years since we became a real, organised National Union.

Our recent experience has shown that a large wage increase does not automatically result in an improvement of an individual's standard of

living. If those increases contribute to the price spiral they are self-defeating, particularly if the net result leads to an ever increasing rise in the cost of living.

For example, let us for a moment examine the sequence of pay settlements since I took office five years ago.

The Wilberforce award in 1972 was equal to 15 per cent on the N.P.L.A. rate and an average for all underground workers of over 22 per cent; likewise on the surface. Two years later, we claimed that we had slipped back to where we started, and the Heath Government referred our case to the Pay Board Public Enquiry. After a lot of to-ing and fro-ing and determined attempts by the Union, the Government said they were not convinced by the N.U.M. claim that the resulting offer from the Pay Board was inadequate to meet the requirements of the Mining Industry. They decided to put the country into a General Election for purely political reasons. This resulted in a change of Government. Finally, we renegotiated the offer and obtained 23.32 per cent for N.P.L.A. and the average for all underground was 27.92 per cent. The Surface average was 26.32 per cent. These were two good settlements in 1972 and 1974, to be celebrated in most Areas of the Union. Congratulations all round, and quite rightly, because the N.U.M. has in its ranks some men who are doing one of the worst jobs in the world for which in justice they must be at the top of the wage league.

However, as I have said that may not necessarily mean money wages. So let us go on and examine further. In 1975, we obtained pay increases of 35.56 per cent on N.P.L.A. and average increase for all underground of 33.06 per cent and 30.42 per cent on the surface. Have you noticed how the percentage, even on higher basic rates has got larger, until in 1976 some people are seeking to claim over 50 per cent for everyone! So, in spite of our efforts since 1971, we seem to be saying that we are not making the progress required. In fact we seem to be on a tread-mill.

I have said that in my term of office the N.U.M. has done what it had to do to keep faith with its members and in so doing, serve the best interests of the Mining Industry — the objectives were good, but the question I am raising today is that perhaps we fell short by our obsession with cash claims to improve the basic rates. The strategy needs rethinking on a longer term basis, not leaving it all to do in short bursts which are exhausting without bringing any lasting benefit.

We had short term gains when we rallied our members and our friends in the 1972 and 1974 confrontations, and now two years later there are those who argue that the cycle should be repeated. Need that be the pattern of industrial relations in mining? Should we not have more faith in the democratic processes; in trade unionism, in our ability to plan, organise and negotiate without recourse to threats — on many occasions even before the case has been presented and a reply received. Have we made no progress in the way we conduct our affairs in a nationalised industry, or is it that some people see our members as the shock troops in a struggle which is not directly concerned with our industry, but with a

wider political arena?

I believe that we can, from this Conference, combining the action outlined in the N.E.C. Report and the constructive elements of the agenda, plan for a new tomorrow. Already, as I have said, we are on the way to achieving by quiet negotiation, benefits for our members worth millions of pounds which will provide a standard of living never before dreamed of. There is, of course, one obstacle. There has to be a Pay Master, with enough resources to pay. Not the Government any more; not the customer in the United Kingdom alone or else on present production levels we shall price ourselves out of business. No, we together must provide the cash, and we must do so for many good reasons. First, because it is our Industry; there are no shareholders and we want it to be a success. That will come if we produce enough wealth to enable the N.C.B. to invest in capital equipment without heavy borrowing which would mean profits for the money lenders. Those profits would do more good in our members' pay packets, or distributed to them in some other way. I wish that some people had had the foresight to see that a real incentive scheme, such as the one which went to the members last year, would have produced exactly this result. Our lads would by today be pounds better off and not too much affected by the restraints of the past year. I hope that the "anti lobby" has taken note.

We must also accept the fact that in providing for ourselves we shall also be keeping our promises. These promises, to which I refer, are those made to a Labour Government during the tri-partite talks, because some regard must be had for our public image. There should be clear evidence of our intention to keep our side of any bargain, as the Government kept theirs to the Trade Union Movement as a whole and the miners in particular. We must accept that if we claim certain rights — secure employment, good living standards, etc., — then we have responsibilities as well and we are prepared to face up to them. Loyalty is not one sided. Otherwise, our image will be tarnished. The constant threat by some to disrupt the industrial peace and the failure of the industry to deliver the goods will only shake the confidence of the customers and the policy makers in the Government besides presenting an unattractive prospect for any potential recruit to our ranks.

Of course, after talking about loyalty, I think it is just as loyal to be able to give some advice to your colleagues in the political field if we feel that they are approaching the problems in the wrong way. It is my firm belief that we cannot produce the wherewithal, which will make this country prosperous if we try to approach it from the point of view of a low wage economy. Our Socialist colleagues in Germany have found out that high wages, allied to high productivity do not cause high rates of inflation.

I think that we have to realise that we have many forces throughout the Western World, who do not want to see a Socialist Government being successful, whether referring to a democratic form of socialism, or other forms of socialism. This has been proved in such places as Chile and we have noticed the pressures during the latest elections in Italy, and of course, the run on our own pound in these recent months.

In my opinion, the only way in which a Labour Government in Britain will ever be successful, and not be denied the right to introduce socialist measures will be when we as a country are producing the wealth, which the Government will find necessary to introduce socialist ideals both industrially and socially, and will have the necessary majority in Parliament to ensure that there is no delay. Therefore, as I have said earlier, a low wage policy is self-defeating in two ways:—

1. It will never attract the popular vote necessary to win elections and this should have been amply demonstrated in the latest by-election at Rotherham.

2. It will not give the necessary incentives to industries to produce the goods, which Britain will have to rely on in competition with other countries.

Therefore, whilst we are working out over the next twelve months, the agreed wages policy, we must seek ways and means of increasing production in all British Industry by the means of incentives of some kind, which could be applied immediately this present phase is finished. This will be good for the whole of Industry and will be good for Britain, therefore. It will, as I said earlier, also be good for the British Coal Industry, because when we are looking for markets in the Coal Industry, one such field is the mainland of Europe. We should realise the potential market that is there and prepare to meet the demand when it comes. There is some talk of Europe needing 250 millions of tons of coal per year by 1985, much of it to be imported. While other countries are still not investing in coal, the United Kingdom is and we should be in a position to provide the bulk of that imported coal. However, the talk will not become a hard commitment unless we demonstrate our faith in the future and our ability to play a full part in any plan which emerges from joint discussions.

We have the people within our organisation who are capable of making a useful contribution in any debate on planning the future developments in our own industry, and our European friends in the E.C.S.C. are already convinced of our determination to make a full contribution to the debates in the E.E.C. To those who are still sceptical about participation of this kind, I say it is no good pretending that the E.E.C. isn't there. It is, and we would be neglecting our duty to the members if we did not join in and make sure that any benefits to be secured for our people were taken in full.

As to the question of joint participation at home we must be careful. There will be a legal directive on this very subject and a Green Paper has already been prepared. When that directive is issued, the Coal Industry may have to implement it and unless we are careful, we may by default have a system pushed on to us which is not of our making.

I think we have nothing to lose from getting more involved in the management of our own Industry. Our plan for participation has been publicised, but now we find that instead of the old coal owners, we are faced with the elite club of the mining engineers, who are educated at the

Industry's expense and put into jobs of management, put into jobs of great responsibility and then they try to indicate that they and they alone are born to govern. This is balderdash, of course, and not true because as I have said, nationalisation is not the panacea alone. There are many aspects of the management function that we may wish to examine, and we may even have ideas about extending the activities of the N.C.B. Certainly I would support any examination which led to a reduction in the number of people involved in the supply of equipment to the industry and the distribution of coal, coke and by-products. This should be an attractive prospect to those of you who complain about the numbers who made handsome profits out of our industry, which could by an extension of N.C.B.'s activity, be ploughed back. Thus appears another method of making a contribution to our industry in its efforts to become self-financing.

I could continue in this vein, but I feel that it should be self-evident that prospects are endless. There is much to be done to put the mining industry on to a sound, well thought out course into the 1980's. Every working man in it should have a sense of belonging to a democratic community in which he can have some influence on the course of events, where his contribution will be rewarded by a higher standard of life for him and his family, where exploitation is left behind in the 1920's and where the dreams of our forefathers become the reality of our endeavours. Industrial and social revolutions do not occur overnight and some of us naturally become impatient when progress is too slow for our liking. If, however, we reject the opportunity to be part of the team, planning and implementing new ideas, we can hardly complain that others are moving too slowly.

But all these plans we have for our Industry do not mean very much if we neglect the safety factors involved. We are deluding ourselves if we are thinking that we shall have a successful industry if we just take a thought for the profit motive and not of the safety and working conditions of the members we represent. We shall have failed miserably.

The accident figures this year are no credit to us at all. We must bring everyone to the point of realising that each one of us is responsible for our own safety. We cannot shunt this responsibility on to anyone else and we cannot say that it is only the manager's prerogative to insist on compliance with the safety regulations. We must insist that all our members do not ignore the safety regulations in becoming obsessed with the needs of production. We must be as completely united on the need to ensure the maximum safety in the pits as we are on ensuring maximum production from each and everyone of our pits. These needs can and must be married to one another. A safe pit, in my opinion, is a good production pit, because good safety and good production together contribute to good conditions.

That is why we are proud as a Union, to be organising this year a Conference on Safety, to which we have invited the whole of the European Miners' Organisations to send delegates. We think it is important that miners from all over the world should have the same

regard as we have for safety in coalmining and in dealing with these safety practices, we inevitably must have some recourse to the policies involved in Energy, because these policies, if they are in pursuance of a bigger and better coal industry, will create the factors for ensuring that money is available for the maximum investment in safety standards. Let us be fully determined to show a good example to the rest of the world mining industries and automatically to British Industry.

This short speech tries to put to the members ideas as to how this industry can grow from strength to strength, and can prove to the country that nationalisation is not a dirty word, but can make a valuable contribution to the country's well being, make a good contribution to the energy requirements of the country, whilst also providing a good standard of working conditions and a good and secure livelihood for those men who are willing to enter the mining industry. This is a job I am dedicated to and a job to which all the full time officials and activists in the Union are also dedicated. May this be a happy and prosperous Conference.