

## PRESIDENTIAL ADDRESS

MR. M. McGAHEY (Vice-President): Fellow delegates, retired agents and visitors, it is now my pleasure to call upon the President of the Union, Mr. Joe Gormley, to deliver his Presidential Address to Conference. Joe Gormley.

CHAIRMAN: You know, every year I just make the same remark that it is a drag to have to make a Presidential Address. I like to speak. I like to speak from notes, and one of the lads came up here and said "Will you speak into the microphone?" I said "What the hell do I know? That's not my way of life. I like to speak." But on this occasion I have got to present an address which will be written and talked about but which will be non-controversial this year. I have tried to be non-controversial.

Once again, we have arrived at our Annual Conference. Although there is a 12-month interval between these Conferences, they do appear to be upon us with increasing rapidity each year. This illusion, of course, is symptomatic of getting old. What does, in fact happen, is that we barely have time to clear some negotiations out of the way, without really finalising them, when Conference presents the N.E.C. with an additional shopping list. However, as long as the members do not expect miracles, I don't mind the pressures.

I think we have established a pretty fair record over the last few years. We have cleared quite a few miners' charters and not only dealt with Wages, but have realistically established many long cherished principles. One of these, which has been partially achieved this year is the possibility of early retirement for miners. This long held dream has been achieved for the benefit of members with 20 years' underground service or men with less than 20 years' service, who necessarily had to work on the surface as a result of industrial disease or injury.

We have informed the Coal Board, the T.U.C. and the Government that this Agreement will have to apply in August of this year, irrespective of any social policy. We shall continue the negotiations, so that eventually all our members are covered by some early retirement agreement. Problems will arise, because although we have some members who have less than 20 years' underground

service, and some with intermittent underground service, we have a lot with no underground service who, of course, are eligible for comparison with workers in other industries. So, unless the Government lowers the retirement age for men (and we are told that this is too costly and therefore not possible), we will have to adopt a stance, which is compatible with the knowledge that our Industry must lead the country. My own view is that this issue of early retirement could be used to lower the unemployment figures. The present position is untenable for a Labour Government.

We have also negotiated many other issues, one of which is at the moment out to individual ballot of the members. This is a highly emotional matter, which was best resolved by vote in this way. On many other matters, however, I think that the N.E.C. must be willing to make the decisions between Conferences. This, in fact, is the feedback, which is reaching me on my visits to different parts of the country.

One of the biggest issues causing world-wide discussion over the last 12 months has been the energy supplies of the world and the need to formulate a sensible energy policy in all the industrialised countries in order to help, not only themselves, but developing countries. We have heard many statements made, not only by our own Minister of Energy, but also by such eminent people as President Carter of America, who has warned of the possible world-wide recession, which could take place unless we were careful in the uses of our reserves of energy. We in Britain have been discussing our energy situation for many years, particularly so those of us who are involved in the energy industries, such as coal, etc. With the discovery of oil and gas in the North Sea and with our expertise on nuclear energy, we have been brought into a situation which many other countries would like to be in and that is that we ought to be in a position to be self-sufficient for energy purposes within the next few months, because we have oil and gas reserves which are estimated to be valued at £300,000 million and we have 20 years' expertise of provision of electricity from nuclear energy and of course, as you know, we have known reserves under our feet of workable seams of coal at the moment, which have been discovered and which could last for the next three or four hundred years, even at today's production figures.

Now, that means we are in a unique position and there will be many discussions as to how we should use the energy, but as yet, although we have had the announcement of all the plans such as the formation of an Energy Commission, which has involved the T.U.C. in putting forward names, that Commission, which was supposed to be getting off the ground at least six months ago, is as yet not off the ground and therefore we are not yet in a position to say that Britain has a true energy policy. All that is happening at the moment is that each one of the energy sources is using a pressure group to get their ultimate position in the new energy scene. That cannot be good for Britain because oil and gas are finite issues and it is estimated that the real volume of gas and oil could be used up by the end of the century unless there is careful planning at the moment for the use of these reserves, which are very valuable resources for Britain and should be used in a way that would guarantee long-term prosperity

and not short-term prosperity to deal with a short term problem. Therefore, there is a need for immediate action on this front; the need to give each of the Energy Industries their real targets for the years ahead, so that the necessary planning and development can take place in order that there will not be a gap in the 1990's because of the lack of planning at the moment. It is necessary to realise that all the plans for energy are of a long-term kind. If you need a new power station of any sort it takes ten years to complete from first breaking the soil. If you want to sink a new pit, it is ten years before you get into production from taking the first step. The same with the drilling in the North Sea of an oil well or a gas well. All these are long-term issues and need careful planning today if we are going to achieve the real objective in the next few years, so that the energy of Britain will be used sensibly and will be used in such a way that it will benefit the whole of British Industry and the whole of the British economy and will be used to create the wealth which we need to build Democratic Socialism. This careful planning today can ensure a long period in office of a Labour Government but it needs careful planning now in order to achieve the objectives.

But we, for our part, in the Coal Industry, have already had a planning agreement put forward for our Industry, which has been accepted by Parliament. That Planning Agreement entails an increased production of coal year by year up to certain levels, which have been put forward to the year 1985 and up to and beyond that to the year 2000. This plan necessitates increased production year by year and would know no limits if we were able to get the production figures right and the output per manshift right. The sky is the limit we are told in the production of coal because we are in a field where the world is crying out for energy and we would be in a position to be fulfilling some of those markets by exporting some of our energy, coal and oil, etc., to other countries which are, as I have said, desperately in need of it.

Now this plan, which has been accepted by Parliament will cost a lot of money because it means the sinking of new pits; it means continual boring; it means extension of already existing pits in new areas of coal, which we have never thought they would be able to go for. It means a longer life for what would have been short-term collieries because we are going for seams of coal which at one time would not have been exploited. This money has been guaranteed by the Government and will cost over the 10 years approximately £3,500 million, which in anybody's language is a lot of money for investment in one Industry. But it does show the dependence which the country is putting on the Coal Industry to help to solve its energy problems and to solve its economic problems at the same time. We can make a wonderful contribution towards the raising of the economic level of life in Britain if we can fulfil those plans. The Government have for their part accepted the plan and the money will be available. The Coal Board have fulfilled their part of the plan by doing all the planning and the boring necessary, so there is a continuous programme in front of us, which is being reported to us and discussed with the N.U.M. continually at the Joint Meetings.

Unfortunately, last year we on our part failed, I am afraid. We did not meet the output objectives set forward for the Industry. It had been expected that in the year 1976/77, we would have increased our

production from the year before by about two or three million tons in the year, instead of which we find that at the end of the financial year, we have produced exactly six million tons less than we produced the year before, even with all the modern machinery and better equipment which have been provided to the same manpower, same conditions or even better conditions. For some reason, these production targets have not been met, although as I have said, the original production targets were very pessimistic ones. They were not targets that many of us thought we could not have achieved.

There have been many examinations in the Industry and many looks at the bottlenecks. We have had pit meetings, district meetings, etc., to try to root out all the problems, and deal with the bottlenecks which exist in the Industry. Therefore, it seems to me that we have to look a little nearer home to try to find the solution to the problem. I believe that one of the reasons perhaps that production has not been as high as it ought, is the general apathy which may be surrounding the Industry because of the high unemployment figures about us. But that is an issue we should forget because we are in an Industry, which is on the upsurge. We should be riding on the crest of a wave and therefore unemployment outside should not affect us. In fact, unemployment outside should make us determined to get the highest production possible in order to make sure that we can create jobs for other people who at the moment are having to exist on the unemployment register. So, I think we need to look deeper than that and I believe one of the other reasons is wages — is money. It is a straight, brutal fact of life that a lad goes to work in a coal mine as he does in a factory anywhere else in order to earn wages which will create a good standard of living for himself and his wife and family. Some way in the last two years at least we have lost impetus and therefore we have to have a look at the whole issue of wages in a clearer light. I believe to get the production figures right we need a good strong incentive bonus scheme as well as a good basic rate.

I have heard many comments in the last few months from different people, who continually oppose the introduction of production bonus schemes and I always ask myself one question — “What is it that they are trying to do?” Usually, the opposition comes from those of our members and leaders who are supporters of the Left and supporters of regimes, which exist in the Eastern European countries. Yet, having visited every one of those countries and their mining industries, and examined their wages patterns, I find that in order to achieve the targets, which are set in their five years plan, they have to introduce a production bonus scheme in every industry including their own coal industries. In fact, in Poland where I investigated I found that the wages pattern was 60/40, that is 60 per cent bonus earnings, 40 per cent the basic wage. Now, I know that there are colleagues of mine, who will say that I am ignoring the fact that our economic system is different and if we were in a Socialist country, a completely Socialist country, then it would be a good thing to introduce incentive schemes in order to achieve targets. Well, I lay claim to the fact that we are working in a nationalised industry, which we in the Labour Movement fought for for so many years, and therefore it behoves us, from our own position, to try to make sure that the Mining Industry is an example to the rest of British Industry, is an example to the

efficiency of a good nationalised industry and could be shown as an example to those critics of nationalisation, who still abound in many parts of the country, both in the trade union and the political fields. As for some of the statements, which have been made that it would, if it were successful, break down the united front, which we have shown over the last few years, I tell these people who are saying this that they are talking a load of poppycock. When the issues are right, the miners will be completely united because this attitude about not being able to be wholly unanimous was one of the weapons which people were trying to use against us in 1971 and 1972 when a ballot for industrial action had only shown 58 per cent in favour of the strike and 42 per cent against, and people were assuming that the 42 per cent would not be united with the others, when or if a strike had to be called. Of course, history has proved those people wrong and history will prove these critics of incentive schemes wrong in the future. When the issues are right, the miners will be completely united whatever the wages pattern which exists in the industry. Another objection that many people utter is that it might lead to unsafe practices creeping into the industry; that people will be "leaving their blood on the coal", which is another favourite emotional phrase. I say to them "just be careful what you are saying, because in fact you are saying to your colleagues in Eastern Europe that they, by their very nature are encouraging unsafe practices", and it follows that we are saying that the Polish Miners must be leaving their blood on the coal in order to meet those production targets. This is a complete load of eyewash and we should never accept for a moment that the colleagues whom I meet in these other countries are not just as safety conscious as we are, if not more so. However, they are still producing the coal which is able to be exported to Europe, particularly from Poland to the tune of about 40 million tons per year, a market which we should be having a share in.

But we must never forget that basic rates start the whole wages pattern and any production bonus scheme must be the cream on top of that, the cream created by the increased production, which is necessary for us to fulfill the plans and fulfill the desires of the country as far as the Coal Industry is concerned. Therefore, we will continue year after year to seek to increase the basic wage. We have to create this feeling of togetherness and total involvement if we are going to play our part in making sure the plan is a success, the plan which we as the N.U.M. gave a name to, as a plan for the future of the Coal Industry, a plan which envisages a Coal Industry being better than it has ever been in the last few decades, a stronger financial position, security of employment, security of tenure, providing good working conditions, good safety conditions, providing enough money in good wages for the men to take home at the weekend, which will ensure, not only a good standard of living in their home, but the possibility of a good social life too.

But I often wonder whether we are willing to achieve this position because when I am looking through the Agenda of this Conference, I am reminded of the old time Eastern Slave Markets where somebody who has charge of a group of slaves, puts them up for sale and the highest bidders are able to buy the slaves. I wonder if it is right that we should incessantly give this impression that our only way of life is that when we are thinking about the recompense our members should get in wages, we keep having a Dutch Auction. Somebody thinks of

a figure, doubles it and puts it forward as a wage, which we should try to achieve. Somebody else then thinks of a higher figure and without investigating as to how it is going to be achieved, says that that is the target, which we must attain. I don't think this is an honourable way for a strong Union like ours to be conducting its affairs. Miners are not slaves and will not be sold and bought. They will fight for a good standard of living. They will back leaders who will fight for a good standard of living, but they will fight in a sensible way. They will not support leaders, who continually keep beating their chests and saying "We are the champions". They will not support leaders, who take silly positions, knowing that the positions they are taking are perhaps completely impossible of achievement when there is a timetable set down by the resolutions. I take second place to nobody in fighting for conditions for miners, but I think it is completely wrong for a resolution to be put on the Agenda, which places its leaders in a very false position, a position which people know is not able to be obtained in one negotiating period.

As President, I have to be involved in negotiations and I have to be involved all the time with the Board, not only about wages, but about other things as well. You ought not to try to put your leaders in untenable positions. You ought to be seen as a strong, sensible Union, willing to fight for the highest possible standard of living at any given moment of time.

This, I believe, is what we should be seeking to achieve and that is why for the last few months, I have been saying what I have been saying on this issue of the wages policy for Britain. When the Labour Government was elected in 1973/74, just after our second big dispute, they inherited a very difficult economic position, which was acerbated by the decision of the oil producing countries to increase the price of their oil by five times. Therefore, the Trade Union Movement was asked to go along with the Labour Government and try to help to solve the economic problems by appearing to introduce a wages policy which would apparently hold down wages and this would allow the economic situation to recover and provide more jobs rather than less jobs and therefore create a lower level of unemployment. It would help the economic urge, which was necessary for Britain to recover. It was felt, anyway that that is what would happen. We, for our part, placed our support with the Government and the T.U.C. on this issue, and we pledged it with a big majority of our members on the first occasion. But, in the second year, when they came to us with a 5 per cent wage increase as being the maximum allowable, many of us only reluctantly went along with the position knowing that in the long term, this could not be the right policy, because to provide the wealth upon which we can build socialism, we need to have the manufacturing and production industries in Britain continually on the upsurge, creating goods which can be sold in the export markets or could perhaps cut out the need for excessive imports, which are taking away so much of our finance, and which are a big drain on the balance of payments. If we can relieve our import markets and provide exports, then there will be sufficient wealth in Britain to ensure that never again will there be any cuts in public spending as far as education, the public services, the Health Services or road programmes are concerned. We cannot provide socialism, as I said earlier, on the backs of the money

lenders because they will determine the speed at which you will introduce all the necessary issues, which make Socialism different from a Tory way of life.

It is in that light that I have been arguing this year that we should finish with the Social Contract. It is the need to create the incentives in British Industry and get the wealth we need, which can only be obtained if we can provide an incentive to those people in those production and manufacturing industries by the way of wages, conditions, etc. But there is a need for a little more than that, because if we can create the wealth I am talking about, we can have a look at the whole taxation issue. I believe there is too much direct taxation. It is not good enough for people to work hard during the week and then find at the end of the week that there is quite a big slice of their earnings taken out automatically without them having any recourse to argument, I think there is a need for less direct taxation and more indirect taxation. Let there be more money in the wage packet and the wage earners can please themselves how they spend the money. This is another incentive that is needed if we are going to get people thinking it is worthwhile to be in a job rather than out of a job.

So, it is these issues that I am trying to push forward this year as a means of getting out of the economic position that we are facing. We will never cut the level of unemployment unless we have an upsurge in the economy. I do not agree that an upsurge in the economy or expenditure on improving the economy will necessarily lead to high inflation. If we can produce the goods, as I have said, it will cut out inflation. It will make us a wealthy country in our own right rather than having to rely on others. I am not saying anything this year which can be seen as a split between the Labour and Trade Union Movements. I am trying to warn the Government and people concerned that unless we change our platform, we shall lose more and more of the basic support which we need if we are going to win the next election whenever we go to the country. It is in that light that I ask both my colleagues in the Trade Union Movement and in the Labour Movement to think seriously when decisions are being made this year. Some of the decisions which are being made, I think, are not going to help the economic situation and will definitely not help the political situation, which after all is what we are seeking. We don't want to hand over a wealthy, healthy country, which Britain inevitably will be, in a couple of years time; we do not want to hand it over to the Tories, so that they can use that wealth to line the pockets of a few rather than be used by a Labour Government to better the livelihood of all the people of the country. This is a friendly piece of advice, which I am giving. It is a friendly observation, which I hope will be accepted in that light. I am not beating any big drum. I am not condemning the Labour Government or the T.U.C. I genuinely believe that they are trying to put the economy right, but in such a way that once again they are souring the traditional support necessary to win an Election. I am seeing shadows of 1969 once again and I, for one, do not want a repetition of the arguments we had on behalf of miners with Tory politicians, who have not a clue about our ideals.

But, of course, in all these talks of increased production and increased productivity we must never forget at any time the safety

factors, which are involved. Although the figures for fatalities were slightly less this year than the year before, the numbers of seriously injured were not. Every serious injury or every serious accident could, by a small margin, be a fatality. We have no right to be complacent and the Coal Board have no right to be complacent. The figures are not good enough. We should never rest until the whole position of fatalities is a thing of the past because every one fatality very often creates a widow and creates a loss to a family. It creates heartbreak, which does not disappear by just being able to give a lump sum to the widow. It does not create satisfaction in people's minds like myself who are trying to fight for a better life for miners. Every fatality is like another stab and the sooner we can rid ourselves of these knife cuts we keep getting, the better for the whole of the Industry and the better future the Industry will have; the better example it will show to all other Mining Industries. We cannot allow safety to become a second rate issue of discussion. It must, at all times, take pride of place in our discussions on the future of the Industry because the future of the Industry relies on it being a safe Industry as well as a good producing Industry and they can both go together. That is why it is important that not only do we have these joint discussions in our Industry and the total involvement I mentioned earlier, but we must be willing to use the expertise which has been gained through Mining Industries around the world. The Miners' Union has an international stance second to none, I am proud to say and I want us to keep that image. I want us to be able to talk to miners in every country in the world where they exist, so that we can by discussion with them, learn many of the things they may have been able to achieve and from us to them give them the benefits of our expertise as well. By this joint discussion and this joint deliberation, I am sure that we can make mining an Industry to be looked upon as a good Industry throughout the world, an Industry which is giving a lead to the rest of the Industries in the world by making sure that the co-operation which can only result in good, is a natural order of the day and not something which is looked upon as exceptional. As I have said, I believe that miners should be talking to miners in every country in the world, whatever the political complexities of the governments surrounding them. It is necessary for us to get fully involved and that is why I was so pleased last year when we had this International Miners' Congress in Richmond dealing with the safety factors of mining in all countries and helping one another with our expertise.

We are able, also, to discuss economic issues. How the Coal Industry and the Energy Policies of the various countries should be used for the betterment, not only of the countries they are primarily concerned with, but also with the developing countries. If we can maximise energy in all these countries which have supplies of energy, we will be in a position to help the economies of other countries, which are not as highly developed, the underdeveloped countries. After all, Socialism does not stop at home. Socialism is with us or should be with us at all times whenever we are discussing the livelihood of workers throughout the world and I am proud of the position which the British Mineworkers hold, not only in the Mineworkers' International Federation, but also in the feelings of Miners' organisations in other countries not connected with the

Miners' International. Even the Miners' International, we are finding, is having problems, financial problems like all of the Unions. The Miners' International Federation is pretty well devoid of finance and something will have to be done this year to make sure that it is solvent once again. We have to have a look at the structure of the Miners' International and ask ourselves a question. Is it sufficient for us to deal with the Unions which are connected with the I.C.F.T.U. or should we not seriously look at the possibility of some association with the Unions which at the moment are connected with the W.F.T.U.? I think, in the years gone by, we have seen too many shadows behind bushes. We have imagined too many things and yet when I go around the world I find that 90-odd per cent of the things we are talking about as being necessary for British Miners and British Workers are part of the same issues which are being discussed in other countries such as Europe, America, the Eastern European Bloc, etc. They are discussing the same objectives, the same ideals, better housing, better education, better roadways, better standards of life, better holidays, etc. They are all common topics in all these countries as they are common topics throughout the Trade Union Movement in Britain. Therefore, I don't see the same necessity to keep being so far apart because funnily enough when we are in the I.L.O. we are not miles apart. We speak with the same voice on common topics and no country, whether it be Britain, or anybody else, will solve the economic problems alone, and although we in Britain have a better chance to solve our economic problems than many of our surrounding countries, because of our supplies of energy, we alone cannot solve the economic problems which will result in a downturn in the unemployment figures that exist in the whole of the Western Industrial Bloc, a problem common to all of us — the high rate of unemployment which exists in each one of them. We shall do it together, or we shall not be able to do it at all. We can play the lead in Britain if we are determined to work together, the Labour and Trade Union Movement, to ensure that the way home is the way home which we have fought for for years, the Democratic Socialist way home, where the Trade Union Movement and the Political Wing work in complete harmony with common objectives and common ideals. I take the point of view that Trade Unionism, full co-operation amongst Trade Unionism throughout the world, guiding the politicians, is the surest way to guarantee a peaceful world in the future, a peaceful world which will have the benefits of the expertise with which we are now finding it is possible to create wealth; a future which will be good for our children's children and because it is good for them, will be good for the country as well. It will be good for the world. It will be good for those people in Chile, Bolivia and countries like that who at the moment are suffering under regimes which are not helping the working people to enjoy the standard, which we now enjoy in Britain. We should never be satisfied with this way of life.

I want to make three of my messages to this Conference quite clear. Only we can render our Industry great. Only if the British T.U.C. is united and in harmony with the Labour Government can the country once again be great to the advantage of everyone and not just a few. Only if a strong Britain, led by a Labour Government, is taking a lead in helping the under-developed countries of the world,

can we have a guarantee of world peace, not only in our lifetime, but for future decades. These should be our objectives.