

Saturday, 1st July, 1995.
(MORNING SESSION)

**IN THE CHAIR - MR. FRANK CAVE,
(VICE-PRESIDENT, NATIONAL UNION OF MINeworkERS).**

PRESIDENTIAL ADDRESS

THE PRESIDENT: Chairman, colleagues, Forty-seven years after the Labour Government introduced a Nationalised Coal Industry, the Tory Government driven on by ideological hatred of the NUM finally privatised the British Coal Industry at the end of December 1994. In the words of a former Chairman of the Conservative Party, Cecil Parkinson, it represented for them the "Ultimate Privatisation".

The English coal fields representing 80% of the industry were sold to RJB Mining for an estimated £815 million and the remaining sections of the coal field were sold to Mining Scotland, Celtic Energy, Coal Investments Limited, and there was a workers'

acquisition of Tower Colliery in South Wales.

Previously a number of collieries had been re-opened on "Lease and License" including four by RJB Mining, five by Coal Investments Limited, and two operated by management teams at Hatfield in Yorkshire and Betws in South Wales.

It has emerged that the controversial privatisation of the mining industry involved the Government writing off debts and interest payments totalling some £1.6 billion, equal to a subsidy for a company like RJB Mining of over £100 million per year. In addition, the new owners of Britain's coal industry have been relieved of historic liabilities such as subsidence damage, concessionary fuel to beneficiaries, compensation and other costs. The net effect of this "subsidy" is that the new coal owners, including RJB Mining, are able to produce coal at between £4 and £6 per tonne cheaper than British Coal simply because of the direct and indirect assistance given by a Conservative Government which has written off liabilities and ruthlessly pursued its desire to privatise the mining industry.

We are already seeing the effect of privatisation, with both the new coal owners and outside contract firms introducing longer working hours, lower wages and worse terms and conditions.

For example, at those pits on "Lease and License" underground miners who have traditionally worked a seven and a quarter hour shift are now having to work a basic eight hour shift and are being "induced" to work a ten hour shift for a fifty hour week.

Outside contract firms are terminating Contracts of Employment and offering the employees affected jobs at other pits on lower wages and worse terms and conditions.

There is apparently subtle pressure being applied not to report accidents in order to give an impression that the safety standards in the industry are either as good as or better than those which applied under British Coal.

The NUM has found it difficult to obtain details of major incidents such as substantial falls of roof where roof bolts have been used. In spite of the terrible tragedy at Bilsthorpe in 1993 and subsequent Public Hearing, the Union was not told of a substantial fall of ground at Asfordby, Thoresby or Kellingley even though all three incidents were directly or indirectly related to the use of roof bolting techniques.

The Union is finding that where members are bringing a claim for Common Law Damages against an employer, the owner is interviewing witnesses to the accident not only with a Claims Officer present but also another senior member of management. The employers have made clear that they will not allow any witness to be accompanied by his/her trade union representative.

This Conference has got to make clear its total opposition to privatisation and demand that the next Labour Government gives a commitment to re-nationalise the mining industry and also re-nationalise all the other industries privatised by the Tories since 1979.

ENERGY POLICY

Britain has never had an Energy Policy and the result of this failure has been catastrophic in economic, social and political terms for the people of Britain and in particular for the workers in the various energy industries.

It is now commonly accepted that the British nuclear industry is not only extremely dangerous but also horrendously expensive, requiring an annual subsidy of £1.3 billion, the equivalent of £40 per tonne subsidy for the British Coal Industry which receives nothing.

Nuclear-energy-generated electricity is over 350% more expensive than electricity generated by British Coal, whilst electricity produced by gas is now 40% more expensive than electricity produced by coal.

Coal imports - currently costing Britain approximately a billion pounds a year on its balance of payments - are being brought into Britain at a higher price than deep mine indigenous coal.

Britain desperately needs an integrated energy policy based upon deep mine coal. It is essential that opencast coal developments are brought to a halt and this wanton despoliation of the British countryside is stopped.

A future energy policy must see the phasing out of all nuclear power, a policy which would save Britain's tax payers £1.3 billion per year, ensure cheaper electricity bills and result in a much safer Britain.

North Sea Gas - which will exhaust in 20 years - should be conserved and not wasted on electricity production, bearing in mind it is 40% more expensive than coal-produced electricity.

Coal imports should be banned, a policy which would not only save Britain a billion pounds per year on its balance of payments, but also result in the re-development of the British coal mining industry and lead to the re-opening of all the profitable pits butchered by the Tory Government in the past 16 years.

More important, it would mean the employment of around 50/60,000 mineworkers, and the use of coal fired power stations which would employ far more people than the expensive and unnecessary gas or nuclear power stations. It makes economical, political, social and environmental sense to have an energy policy based on these principles.

WAGES

Britain's miners have not had a basic pay increase for nearly four years, and in May our members employed by RJB and Outside Contractors at RJB pits voted by a majority of 83.4% in an individual ballot vote to take selective strike action unless the companies agreed to Collective Bargaining, a Conciliation Scheme and Substantial basic pay increase for 1995.

Britain's miners have increased productivity by over 500% since 1985 and by 60% in the last nine months of 1994 and yet whilst RJB Mining and other companies refused to concede a basic wage increase, Richard Budge was awarded a 23% pay rise on day one of privatisation.

It is significant that British Coal introduced a 'pay settlement' of 7.5% for those workers still employed by the Corporation, whilst power station workers who use our coal received a 7.5% pay award in 1995, and inflation has risen by 11% since our last basic pay increase in 1991.

Under the terms of the latest piece of Tory legislation, the NUM had to ballot all members who worked at RJB collieries and this meant not only balloting employees of RJB, but also members employed by 20 outside contract firms.

Following the result of the ballot, the NUM contacted all 21 companies in the RJB Group requesting negotiations and/or an agreement to introduce a Conciliation Scheme, Collective Bargaining and a pay increase for 1995.

RJB Mining met the Union on the 24th May and said it was no longer seeking a three year pay freeze and would implement a basic pay increase no less than the rate of inflation at the end of 1995 for the 1996 pay year, but the company remained resistant to Collective Bargaining, a Conciliation Scheme or a basic pay rise for 1995, even though it accepted British Coal had introduced a "pay settlement" of 7.5% on 1st May for its employees.

In addition to the response from RJB, the Union received a reply from J. F. Donelon on 6th June explaining that it was no longer engaged in work at RJB pits, but other companies did not respond at all to our letters and requests for negotiations.

The Union referred the wages dispute to the National Reference Tribunal for the Clerical and Junior Administrative Staff Conciliation Scheme and asked it to adjudicate in this case even though RJB had made clear it would not participate or submit evidence to the Tribunal.

The Tribunal replied to our request on the 12th June, 12 hours before our dispute was due to start explaining that it could only accept reference of our submission

provided it was signed by the Joint Secretary of the Conciliation Scheme, D. Macgregor, who is a GMB/APEX Full-Time Official.

The Union has experienced difficulties and obstruction from Mr. Macgregor not only on the question of a submission of our wages claim, but also in respect of our claim for an increase in pay for all mineworkers in 1994, particularly for those who refused to sign the "Package Deal".

Both these matters are being actively pursued and we have asked the General Secretary of GMB to intervene in order to get those cases before the National Reference Tribunal where we are confident we could win both our cases.

The High Court on 9th June, and Court of Appeal on 12th June agreed to grant RJB an injunction preventing the NUM implementing its selective strike action on the grounds that the action would commence one second after the expiry of four weeks (28 days) from the date of the ballot.

The NUM pointed out that it had been advised by the Electoral Reform Balloting Services - an organisation specified by the Secretary of State for the conduct of ballots - that the Union was legally entitled to commence its selective strike action provided it did so before 10.00am on 13th June, which is 28 days after the close of ballot on the 16th May.

The Union felt it had to wait to see if all 21 companies involved in RJB collieries responded prior to the Union introducing its selective strike action, and following the meeting with RJB Mining on the 24th May there was only a period of three weeks or 21 days for these companies to respond.

It was common sense that the Union should be seen to be acting responsibly and leaving any action until the last possible minute, thereby giving an opportunity to any and all companies to reply.

Indeed it was reported on the 12th June that one outside contract firm had agreed to introduce basic pay increase of up to 6.6% and this together with the reply on the 12th June to our appeal to the National Reference Tribunal demonstrated that the Union at all times had acted responsibly and as far as we were concerned within the legislation.

The High Court and Court of Appeal ruling not only stands the law on its head, but re-writes the calendar and I have no doubt that had they been asked to rule on a major theological question they would have concluded that Jesus Christ rose in two rather than three days

It is, however interesting to note that the President of the Court of Appeal, Lord Justice Butler-Sloss said

"there is no suggestion that the Union has behaved other than entirely properly in its attempt to call a strike. It sought to carry out each of the necessary procedures laid down in the Act and took the advice of the Electoral Reform Balloting Services Limited. It does appear that the advice the Union was given was incorrect. The flawed advice is the root of the problem..."

In other words, even the Court of Appeal had to accept that the Union had acted in accordance with advice given and we were reduced to the academic argument as to whether of not midnight constituted Monday or Tuesday. The fact the Judge had to re-write the calendar to substantiate the Tory legislation is a clear demonstration that the Union, at all times, acted properly and in accordance with legal and professional advice.

In fact on New Year's Eve, I have no doubt these judges will rule the New Year begins at the first stroke of midnight - well, there's a first time for everything.

Other Unions, including UNISON, NATFHE and RMT have all been subject to injunction applications under the Tory legislation and we should all remember that this legislation is designed to stop trade unions and workers taking strike action.

Since the Court injunction, RJB has awarded a £250 holiday pay increase but warned that industrial action will result in it not being paid, in other words a "No Strike Deal"

There are those who have suggested that because RJB Mining has withdrawn its demand for a three year wage freeze, agreed to consider a basic pay increase at the end of 1995 and implemented a £250 holiday pay rise, it represents a victory for the Union without having to take strike action.

It is true that these concessions have been given by RJB because they are in a weak position. In the weeks following our ballot result it is significant that RJB's shares fell by up to 30 points. They were and are terrified that the NUM will take strike action and win not only a substantial pay increase but also an agreement covering Collective Bargaining and a Joint Conciliation Scheme.

It is absolutely essential that our members understand the need to re-ballot and once again give the Union a massive vote in favour of selective strike action if necessary, to win our three basic demands

The cost of giving miners the same 23% increase awarded to Richard Budge would be £5 million per year, or £14 million over a three year period.

A one day strike on the other hand would cost the Company £10 million a day, or selective strikes on just one Monday and Friday would cost the Company £6 million more than it would cost RJB to grant a 23% basic pay rise over a three year period.

We have to explain to our members that the Union must specify when it intends to take selective strike action, even if it decides to call off the action on any one of the specified days

If, for example, we specify strike action every Monday and Friday, the Union could - if it wished - take strike action only on a Monday or a Friday, or both days, or no day at all!

I have to say that this Union should be looking towards winning this dispute in the shortest possible time and inflicting maximum damage on the employer and minimum damage on our members.

I call upon all delegates to mount a massive campaign leading to a substantial "YES" vote for selective strike action at RJB collieries so that all our members employed by RJB or any of the outside contract firms can receive a substantial basic pay increase, bearing in mind they have not had an increase for four years.

I give warning that it will be our intention to demand similar terms and conditions from other coal companies, and it is imperative that all mineworkers join or re-join the NUM. If miners wish to protect their interests the best way of doing so is by belonging to the National Union of Mineworkers.

It is interesting to note that during the course of the campaign, the membership of the NUM at RJB pits increased by over 13%, and that fact alone should give this Union confidence and go some way in winning a second ballot - but more important, winning a substantial pay increase, a Conciliation Agreement and the right to bargain collectively on behalf of all our members at every RJB pit.

If Richard Budge is entitled to a 23% increase in his basic pay on the 1st January 1995, then our members who have produced millions of pounds for the Company are entitled to a similar increase in their basic pay.

ANTI-TRADE UNION LEGISLATION

The Government's Anti-Trade Union Legislation was designed to render trade unionism ineffective and against a background of five million unemployed instil fear, thus preventing unions from taking industrial action.

It is time for trade unions to fight back. We should recognise that the latest technical attack on the NUM's 83.4% ballot vote is clear evidence that this Government and their Courts will do anything to stop trade unions being effective.

It should be remembered that the Government's anti-trade union legislation is in

violation of ILO Conventions 87 and 96 and also in breach of the United Nation's Charter on Freedom of Association.

It cannot be right for a Government to interfere in the internal affairs of an independent trade union whilst at the same time their political party is free from any interference as far as its own elections and decisions are concerned.

The Trade Union Movement must campaign for the repeal of all anti-trade union legislation and both the TUC and Labour Party Conferences should call upon the Movement not to comply with anti-trade union laws which are in violation of the United Nations Charter.

MINeworkERS' PENSION SCHEME

The Mineworkers' Pension Scheme with its £7 billion has effectively been taken by the Tory Government.

British Coal has "taken" over £1 billion in the past six years from the Fund's actuarial surplus in the form of a "contributions holiday".

I have repeatedly made clear that I can see no difference in a character like Robert Maxwell stealing £450 million from Mirror Group Pension Funds and an employer like British Coal "taking" a £1 billion "contributions holiday".

The net effect is the same. The money ends up in the Company's balance sheet.

The next Labour Government should give a commitment that it will repay the £1 billion plus taken by British Coal in the form of a "contributions holiday" and use it to improve pensions, particularly for the 14,000 who receive less than £1 a week and 51,000 who receive less than £3 a week.

It is of vital importance that a future Labour Government introduces legislation which places the ownership and control of pension funds in the hands of their members/beneficiaries with democratically elected members of the Pension/Superannuation Scheme Committee of Management.

We want no more of the scandal of pension fund managers voting in favour of Cedric Brown receiving a 75% increase in pay, and our monies should be used to the best possible advantage of the Scheme and its members, but also in a way which stimulates the economy and thereby gives further assistance to the Scheme.

LABOUR PARTY

The Labour Party has over the past ten months moved so far to the Right that it is now almost indistinguishable from the Social Democrats.

Within hours of the 1994 Labour Party Annual Conference reaffirming its commitment to common ownership of the means of production, distribution and exchange, Tony Blair began a campaign to change the entire Constitution of the Party in complete defiance of both the Constitution itself and Conference policy.

The "Modernises" and "Spin-doctors" tried to suggest that Clause IV, Part IV of the Constitution was drafted by two middle-class Fabians in 1918. This is untrue, and any historian worth his or her salt understands that Clause IV, Part IV emanated from the same Trade Union Movement which gave birth to the Labour Party itself.

The Miners' Federation of Great Britain (MFGB) Conference in 1904 actually called for the common ownership of the means of production, distribution and exchange and that principle now forms part of the Constitution of our union.

The Party leadership behaved despicably in convening a Special Delegate Conference on the 29th April when they purported to amend the Constitution even though they knew that an Amendment can only be adopted at an Annual Party Conference.

No Constituency Labour or affiliated trade union was able to submit an amendment to the Constitution and it is clear that on any test, what the Party leadership did was both unlawful and undemocratic.

The NUM has submitted an amendment to Clause IV for consideration at the 1995

Annual Party Conference in October and we have been told by the General Secretary of the Labour Party, Tom Sawyer, that this cannot be accepted for three years because amendments to the Constitution can only be considered at an Annual Party Conference.

As a result, the Bakers' Union together with the NUM have written to the Party and warned that unless we are allowed to have our Amendment to the Constitution debated at this year's Annual Party Conference, we shall seek a declaration from the High Court even though we are reluctant to use the legal process.

It is only because the Party will not allow CLPs and affiliated organisations to submit amendments and is acting in violation of its own Constitution that we are having to take the unpalatable decision to force the leadership to adhere to its own Constitution and Rules.

It is a tragedy that with five million unemployed, ten million on or below the poverty level, homelessness at an all-time high and our infrastructure in ruins, the Labour Party has sought to attack the progressive elements in its own Party and the Labour Movement rather than the Tories and the capitalist system which has led to this appalling economic and political situation.

Unemployment could be resolved overnight provided the next Labour Government was prepared to implement Socialist policies. In particular it should give a commitment to reduce the working week to four days without loss of pay, ban all non-essential overtime and offer voluntary retirement on full pay to all at the age of 55.

These three measures would not only eliminate unemployment but help put to work the thousands of youngsters who face a life of helplessness and hopelessness and who increasingly turn to the use of drugs and crime as an outlet for their utter despair with a system that has rendered them in many cases permanently unemployed and feeling useless.

It is common-sense to spend the £40 billion currently expended on unemployment in the creation of jobs, rather than the destruction of jobs. We should utilise the £31 billion profit made last year by the 20 top companies to fund our health, education and social services, and help re-develop Britain's battered major industries such as ship building, engineering, car manufacturing and mining.

We should be looking towards cutting our Defence expenditure by at least 50% thereby freeing another £15 billion to improve the quality of life rather than using that money in pursuit of destroying life.

Above all, we are involved in a fight for the soul of the Labour Party, and we should ensure that we re-commit the Party to the principle of the common ownership of the means of production, distribution and exchange.

The Party and the trade union movement which gave it birth should make clear that we want to take into common ownership not just the lame ducks in our society but the glittering white swans such as the five major banks which between them made £6.3 billion profit, the 20 top companies which made £31 billion profit and the major financial institutions like the insurance companies, banks and of course the media itself.

The Tory Government is heading towards self-destruction having produced the worst crisis in our society since the 1930s.

Our Union and our Party cannot any longer pretend that the solution to Britain's economic, social and political problems is to run the capitalist system more effectively than the Tories.

We must make clear that the Labour Party should have as its objective the abolition of capitalism and the establishment of a socialist system of society.

As we move towards the establishment of a Labour Government we should re-dedicate ourselves to winning the hearts and minds of our members and the British people for socialism and class politics.

I quoted a Wordsworth phrase in my 1986 address, and feel it is appropriate today to reiterate what I said then:

"We have become so hard and practical that we are ashamed of painting the vision splendid - of showing glimpses of the promised land. It is missing from our speeches, our press and our pamphlets, and if one dares to talk about the "gleam" one is in danger of being accused of sentimentality. Yet I am convinced it was this kind of verbal inspiration that gave birth to the indestructible urge which helped the pioneers of the Movement to keep fighting for freedom, when it was by no means as easy as it is today."

I call upon all our members and the magnificent Women's Support Groups who have defied everything the Tory Government and the State have thrown at them over the past 11 years to re-dedicate themselves in the campaign to save the soul of the Labour Party and Socialism itself.

Our membership, together with Women Against Pit Closures, has survived a ferocious and sustained onslaught with dignity, courage and strength, and if we use our qualities in an offensive against the capitalist system we can make the Socialist dream of our forebears a reality.

I commend my Address to you. *(Applause)*