

## CHAIRMAN'S ADDRESS

CHAIRMAN: (Mr I Lavery, Chairman, National Union of Mineworkers): Comrades, Conference, once again I am deeply honoured to address the National Union of Mineworkers' Conference here in Blackpool. Since we last met in the last two years we have seen the continued step towards the complete annihilation of our once great coal industry. The NUM membership although dwindling in numbers has resisted this onslaught as in line with our proud history and our uncompromising traditions.

Yes, the difficult times have continued. Some may say, and I would not disagree, that they have intensified as we experience pit closure after pit closure to the point where we have only six pits left: Tower, Daw Mill, Maltby, Kellingley, Welbeck and Thoresby.

Since we last met at Conference UK Coal's non-existent commitment towards our industry has seen the closure of Riccall, Wistow, Stillingfleet, Gascoigne Wood and Ellington, with Rossington and Harworth being mothballed, whatever that is supposed to mean.

Comrades, a perfect description of the actions of UK Coal would be the industrial vandalism rooted in corporate corruption. Anyone who has any doubts as to the integrity, the honesty, or the sincerity of this company should read through the Ellington Judgment and read through the legal documents presented for Tribunal only but a month or so ago. The Chairman of the Tribunal asked Norman Haslam why he misled the government, why he misled his shareholders, and why he misled the men at the pit, and his answer was quite simply so he could get money from the government.

The Chairman says, "But that's misleading people. Do you agree that that is the case?" He says, "Yes, I do agree". The Judgment in the Ellington case outlines the fact that UK Coal has deliberately and will continually deliberately mislead people if it means they will continue to get finances from the government.

They have done the same thing at Rossington, by the way, and unfortunately the Rossington Tribunal, because of a technicality, was postponed only two weeks ago and the Rossington men, the officials who are here today, were ready for the fight with UK Coal because once again UK Coal had misled the workers at Rossington, misled the government, misled everyone else, as to the true reasons why they were closing Rossington colliery and let me just wish the Rossington branch the very best of luck in that Tribunal. If we can win that we will win it and it will be another great victory on behalf of this Union.

But, Comrades, there are thousands of miners, thousands of miners' families, mining communities, who have continued to suffer at the hands of, should I say, the scoundrels operating these private companies. These people, if you read their accounts, have secured millions of pounds in their own wage packages. They have secured that for themselves with multi-million pound pension deals, share options, wages - unbelievable - whilst the men producing the coal at the coal face fall from the national wages league. It cannot be and is not acceptable, Comrades.

I have got to say that the National Officials have at times been criticised for their attack on UK Coal. Comrades, I make no apology for it. Ask Chris Skidmore, ask

Eric Eaton, ask John Nicholson from Nottingham what they think of UK Coal and whether we should be making apologies for the way in which they have acted because those three people, among hundreds and hundreds more, have been treated despicably by this company.

But when you look at the industry, as we stand, as we sit here today, it could not be a better time for coal. It has never been better for coal. Business should be thriving. It is all over the world. The coal industry is expanding in Australia, in New Zealand, in China, in India, in Venezuela. Every other country is expanding the coal industry other than the British deep-mined coal industry.

We have got to ask ourselves why. As I have said, we have got the best opportunity ever for an expansion of the British deep-mined coal industry. We have got the reserves. We have got millions of tonnes of reserves in Britain. Three-hundred-million tonne at one colliery in the North East area. In fact there's two collieries, or former collieries, in the North East area with in excess of three-hundred-million tonnes. One is at Billy Etherington's constituency. It is under Sunderland Football Club, under the ground, Wearmouth Colliery, and of course the reserves we have up and down Britain. There are huge reserves in South Wales. There are huge reserves in Yorkshire and there are huge reserves in Scotland, not to say the vast reserves elsewhere in the rest of the British coalfield.

The price of coal - to import coal on the spot market at this moment in time costs between 1.75 and 1.85 per gig. We can produce coal at a pound a gigajoule. When Riccall closed, when UK Coal closed the Selby complex, that was collieries producing coal at 70 pence per gigajoule. On the spot market it is nearer £2. The price has never been better for British coal. We can produce it cheaper than anywhere else if you bear in mind the transport costs as well.

When people say that coal is a thing of the past, we don't burn it any more, we imported 37 million tonnes last year. Thirty-seven millions of tonne into Britain last year of coal! I remember this Conference only 10, 15 years ago, saying if we had four to six million tonnes imported it would close the industry and what impact would it have on the balance of payments? And it has got a huge impact on the balance of payments and anybody who says we are not burning coal, just remind them that we are importing more than we are producing in Britain.

We burned 52 million tonnes of coal last year in Britain. We produced 35% of the UK electricity with coal in Britain. Thirty-five per cent. And at times that increased, depending on demand, to 50%. We are cheaper than imports. We have got the best technology in the world. We have got the best skilled work force in the world; tremendous safety standards, and now we can, which is very critical, burn coal cleanly.

We can burn coal and store the carbon and sequesterate the carbon. We have other types of clean coal technology such as the super critical pulverised fuel technology, the pressurised fluidised bed combustion, the integrated gasification cycle and hybrids of all of these. We have always argued for the coal industry. Always. Never, ever have we had a better argument.

We even have got electricity generators from across the world lining up to build these plants. The question is will these plants be burning imported coal or British coal?

EON, a German company, are looking to invest £560 million in a new carbon storage plant. Mitsui Babcock, they are a major player in Britain in new clean burn technologies. They are desperately seeking the market. They are speaking to everyone and anyone to convince them that coal can be burned cleanly and that

this company is the company that can do it for them. They are telling people that coal is the answer, not the problem. And of course Drax for the first time in quite a while made a huge profit of £264-million last year, which shows that coal certainly has, and should have, a future.

But, Comrades, these facts are compounded by a real global energy shortage, but we should undoubtedly provide for a secure sustained future for the British deep-mined coal industry here in Britain.

The NUM is committed to secure government assistance to support the industry, as we have done from day one of privatisation. Yes, we have called for the re-nationalisation of the industry because that is the policy of the Union and it is the right, principled, non-compromising policy of this Union to re-nationalise the coal industry.

We have met over the past two years with Stephen Timms, Malcolm Wicks, Andrew Smith, Ian McCartney, Stephen Byers, Gordon Brown, Tony Blair. They are all Ministers we've met with. Ed Balls. Ed Milliband. We've met with the Miners' Group of MPs, the three Cs group of MPs, among many other politicians, to press the case for the continued financial assistance for the coal industry but obviously the long-term objective is the re-nationalisation of coal.

It is right that this Union points out to the government the short-comings of those running the industry. I should have put "*closing the industry*" there. I have got "*running the industry*". If huge amounts of finance have been injected into the industry then it is only right that we demand that the money is being directed to maintain pits, to maintain jobs and communities. If it is being used for any other reason - to prop up a land bank portfolio for example - then this should be exposed as well. Finance should only be given from the government to this private company with a written guarantee of future mining operations and future employment of our members.

The government's response is the energy review. Comrades, the result of the review is crucial to our very survival. A negative response by a Labour government would be the final nail in the coffin of our industry. A positive response could see an increase in the UK deep-mined coal production with sustained and possibly increased employment in the coalfields. Labour has a duty to support the coal industry and the National Union of Mineworkers.

There is now a realisation, they accept that there is an energy shortage, but they are struggling for an answer. The choice they say is limited. Without wanting to try and pre-judge the outcome of the energy review, dare I suggest that the outcome would be hugely and largely in favour of new build nuclear?

Energy is a fundamental human need and as with food ensuring access to a secure supply at prices which people can afford is a key responsibility of governments. The government have neatly packaged global warming, climate change and the energy crisis shortfall together. It is quite different and it needs to be separated. Climate change and global warming needs to be sorted by national governments across the world. Private companies will not invest money because of climate change. They will not invest the huge monies required to reduce the emission levels. They will invest money only to make a profit on energy.

The Energy White Paper in 2002 we all know - it has been described as the worst White Paper ever to be put through Parliament - was completely and utterly flawed. Short-lived, it ignored totally the issue of security of supply and accepted that in 2020 this country of Britain would be a net importer of energy.

So, where are we now? Where do we stand with regards to energy, coal, gas, nuclear, renewables and oil? In terms of gas, the world's oil and gas reserve base has been moving eastwards as the United States and the UK North Sea reserves deplete and the Mexican oil fields mature. The majority of these reserves are now located in the centre of the Eurasian triangle, in Russia, and the central Asian republics and the Gulf. By 2020, 90% of UK requirements will be imported from the most politically unstable countries in the world via a huge complex network of pipelines. We all remember what happened only on Boxing Day last year when Putin turned off the gas supply to Russia. That is a sign of things to come. If we are relying on 90% of what we need, ninety per cent, not nine, 90%, if we are relying on countries supplying us, bear in mind that we will be at the very end of the pipeline, we are heading for a disaster.

Consumers are expected to pay the price and what a hike they have seen. Only in the last year even. A massive by-product of the privatisation, or should I say the liberalisation, of the gas markets.

Gas of course contributes to the problems of climate change and global warming. We look at the nuclear option and this appears to be the option of the Labour government at this point in time. It appears to be the preferred option. But what price is nuclear? We discussed this yesterday. What price to the country is nuclear or will nuclear energy be? People have not got the answers. What has been said of course is that the nuclear waste will cost, at the recent estimates, £80-billion to dispose of. That is just for the waste. It is not for the build. It is not for the generation of electricity. That is the waste. And where will these sites be? How safe are they? The recent report from the DTI said that regardless of the change in planning law there isn't any way in which a new nuclear power station could be built and in operation by the year 2015, so we have got this energy shortage. Coal is the answer to fill it in the short, medium and long term.

Nuclear of course suits the needs of the government because of the zero emissions advantage. Renewables is everybody's favourite. But there is a growing realisation that renewables have absolutely no chance of enabling the UK to meet its climate change objectives. Even less so with the rest of the world.

These windmills which you can see on the horizon here on the sea at Blackpool are sprouting up all over the country. We need to produce the required electricity in the UK, 55,000 megawatts of electricity. That would mean a wind farm the size of Dartmoor, so we all understand quite clearly that that will not meet the objectives of the government.

The oil price is currently around 70 dollars, 75 dollars per barrel. Energy analysts expect the prices will increase to over 100 dollars per barrel following significant supply disruption in the Gulf and through a combination of events elsewhere. That is where we are. It is not very good. But what about the future requirements? Comrades, this Union is strong and it is clear on the way forward and we say that the UK should seek to use its indigenous reserves of energy. We have it in abundance. We say that all sources of energy should be state owned and not left to the vagaries of the free market. Let the British people produce British energy, the energy required for Britain.

We have suffered greatly in terms of job losses over the period of market liberalisation of energy. Statistics show that in 1988 employment in mining, quarrying, the supply of gas and water, was 477,000, whereas in June 2005 it had fallen to 160,000.

The myth that coal is a dirty fuel is a myth of the past. It isn't the problem for Britain in terms of energy: it is the answer. Throughout the world it is the answer and especially in rapidly developing countries such as China and India, coal is a major energy source. It is cheap. It is indigenous. It is secure and it is reliable. And these countries will continue to produce coal on a massive basis.

Just a few tasters for coal. In 2005, 40% of the electricity world-wide was produced by coal; 4.6 billion tonnes of coal burnt in 2005 and that is set to increase to 7 billion tonnes by the year 2030 so it isn't a fuel of the past. It is increasing.

China produced 1.4 billion tonnes in 2004. That is set to increase to 3.5 to 4 billion tonnes by 2030. China is building one gigawatt of fossil fuelled generation every week and there are still 1.6 billion people world-wide without electricity which sadly this trend is only expected to reduce to 1.4 billion people by 2030, the same date. Australia produces 275 million tonnes per annum, with 26,000 miners. India produces in excess of 350 million tonnes with 650,000 miners. So, Comrades, it is there to see. Coal has a huge impact on global energy requirements. It is an integral part of the future and the UK should be part of that plan too.

I mentioned the fact that we have met with politicians up and down the country. It has been quite an experience I have got to say but the political position here in Britain is quite bizarre. I think it would be an understatement to say that we are disappointed in the way in which Labour has acted in relation to the coal industry and indeed towards this Union.

There has been a continued attack on the Trade Union movement under the Labour government. Now, it doesn't wash any more. We are in the third term. It doesn't wash any more when people say don't rock the boat because it is better than the Tories. It doesn't wash. We expected more and we haven't got it. And I'll say at this stage I'm a member and I'm a proud member of the Labour party.

The attack on the Unions has continued. There hasn't been any intention of the Labour Party repealing any of the anti trade union legislation imposed by previous governments. There has not been any attempt. In fact Tony Blair has been heard to say that he is quite proud of how restrictive the legislation is for trade unions in Britain.

They have continued to attack the public services. Gordon Brown said only three weeks ago that he would hope that the public service workers would accept a pay freeze for three years. This is not the sort of thing we want to hear from Labour.

They are still looking at the Incapacity Benefit, for example, and benefits across the board. They are looking at them. They are changing them, to restrict them. That is not what we expect from Labour, bearing in mind, looking at the Hallamshire Report published two years ago, that the areas of high Incapacity Benefit were almost all, to a T, former mining areas.

There is a continued support for the free market policies and privatisation in the NHS and, yes, the government are pumping fortunes into the NHS, fortunes, but somehow it isn't reaching where it should reach. We have got a situation with school academies sponsored by in some places these priests. It has been mooted that McDonald's will be sponsoring academies. The latest news is that the people who promised the money are not going to give them the money. But we forge a way looking to try and better the education system and if school academies are the answer, well, I would wholeheartedly disagree with that.

And look at the relationship with the CBI. We had Gordon Brown meeting Digby Jones, for Christ's sake. Who is Digby Jones? We had Digby Jones at the TUC not

so very many conferences ago. I mean, who would call their son Digby? It's got to be posh.

Digby Jones said in an article this week in the Guardian, he said that Trade Unions are completely irrelevant. "I don't even consider speaking to the TUC because they are a thing of the last century." Thank goodness that the likes of Digby Jones is retiring. However, his successor I am sure will follow in the same lines as "Sir Digby".

We have seen the government renege on many parts of the Warwick Agreement. Now, this is the agreement set up at this democratic national policy forum. It was the agreement which was roughly in 72,73 parts, which gave the Union a lot of advantages on the run up to the last election, and meetings we've held with the Labour government and the Labour trade union link organisation have exposed the fact that the Labour government are renegeing on many points which they agreed before the election.

So there are a whole lot of problems involved with the Labour Party and we are in our third term. People have been silent. People have listened and said look, we need that third term. It isn't any good getting a third term if it doesn't deliver. So we will have to wait and see on that because there is, Comrades, a complete lack of democracy within the Party as we stand.

The NUM submitted a Motion to the Labour Party Conference last year. It never appeared on the Agenda. It was said to have been passed down to the National Policy Forum. We don't sit on the National Policy Forum. We haven't got an invite. Although we are affiliated to the Labour Party we do not receive any minutes from any national forum so there isn't that link to see what has actually happened to our Motion.

But maybe it is time to stop illegally attacking other nations, inducing mass devastation on civilian life, and accepting that Britain and America's foreign policy is completely flawed as the British and American people become totally isolated from the rest of the world. We have got to question ourselves on the retaliation from these other countries, because we seem surprised. At one hand we illegally invade a country and kill thousands of people. We seem utterly surprised that other people seek to wreak revenge, and the question is, although it is despicable the way things have happened in Britain, the question is, should we be surprised at that? If you kill people, if you maim people, if you destroy their world, they will retaliate, and hopefully we can overcome the problems we are having to ensure that that does not cause any more problems within Britain, but we need a party to represent the not so privileged, a party dedicated to the masses, to the unemployed, to the poor, dedicated to the sick, dedicated to the workers, and dedicated to those people who are constantly discriminated against; a party whose objectives include the ambition of a multi-cultural, harmonious world, free from chaos and war; a party who values society as a whole and embraces the notions of socialism.

Comrades, it is the 80th anniversary of the 1926 General Strike this year. This Conference salutes the efforts of the miners and their fight all those years ago, the fight against a wage cut of 15% and extended hours. It all seems too familiar here in 2006.

As miners we have suffered miserably through the years but we have fought against the odds for most of the time and of course we have made huge political gains and they are there for everyone to see. We have fought against privateers, against privatisation, of not just the coal industry but every other industry. We have fought employers whose quest for profit and riches caused so much turmoil and devastation to many mining households across Britain. We have fought successive governments for natural justice and not favours. More recently we have fought

Thatcher and the evil war against the miners and the wider trade union movement, but, Comrades, this Union has the biggest fight it has ever had before us and that is the fight for survival.

The future depends on others: depends on the government in terms of the energy review; the support of the wider trade union movement, the British public. British deep-mined coal needs a positive role in this energy review if we are to survive, because UK Coal has already forecast its plans in its submission to the energy review. More money or closure. It is a test of political will but we will know very shortly, Comrades, as to the future of our industry and our trade union. The future of this great institution hangs in the balance but what is next for the NUM? What is next?

That is the question. This Union does not belong to rule 5(A) members under the current 2002 rule book, or the 1800 of us: it belongs to all of those people who founded and developed this outstanding political and progressive institution, not just the leaders who guided the membership but the membership, many who paid the ultimate sacrifice, many who lost their lives, many who suffered injury, unable to ever work again, but supported this great Union nevertheless. This Union is theirs as well and let us never forget the struggles endured by our comrades. Let us ensure that whatever the future may hold for the National Union of Mineworkers its leadership and its membership control the organisation in a fashion of which the founders of our great movement would be justly proud, so that they can sit back wherever they are looking down on us and feel assured that their efforts throughout the darkest of days have been well rewarded. Comrades it is about history, it is about culture, and it is about dignity. Thank you. *(Applause)*