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Prime Minister *W. A. G. 2*  
To note. Although the  
Shell dispute over contract  
drivers seems to be  
settled, we will have to  
watch this closely.

*cc Mr Higham  
Mr Luffin.*

PRIME MINISTER

CONTINGENCY PLANNING FOR INDUSTRIAL  
ACTION BY OIL TANKER DRIVERS

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I chaired a meeting of colleagues in the Civil Contingencies Unit this morning to consider contingency arrangements to mitigate the effects of industrial action by the oil tanker drivers.

Our assessment of the situation is that while the prospect is not clear, industrial action could easily be intensified, although it is most likely that this will not happen until the holiday period is over. The overall impact is therefore not likely to be serious until, say, 2 January; but that if a strike started then there could well be a major effect on the public and industry almost immediately because stocks will already have been run down meanwhile.

Supplies are at present about 80% of normal overall. But there are some big regional disparities, and we have asked the Scottish Office and Department of Energy to look urgently at the problem of the Strathclyde area in particular.

If deliveries do not fall below 70% of normal, the oil companies claim to be able to cope without Government intervention; but we have urged the Department of Energy to ensure that the Oil Industry Emergency Committee holds an early meeting to consider how that claim is working out in practice. If deliveries fall below 70% but not below 30% of normal, the best course is for the Government to try to cope, without military intervention, by taking powers under

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the Energy Act by Order in Council to enable the Secretary of State for Energy (a) to give a general authority to oil suppliers to override their contractual obligations, and (b) to make orders restricting times of opening at filling stations, defining priority users, preventing hoarding and possibly controlling retail prices and maximum heating levels. These powers could be used on a selective regional basis if necessary, and the Department of Energy are considering this possibility.

If supplies fall below 30% of normal, the military plan (LEADBURN), using up to 15,000 Servicemen operating requisitioned oil tanker vehicles would have to be brought into effect. This would require the proclamation of a state of emergency to enable requisitioning to take place.

LEADBURN would take up to 14-17 days to put into effect from "cold". But this figure can be reduced to 5-7 days if we take the essential preliminary step of training the army instructors who would be involved (about 160 men). That training can be carried out between 17 and 21 December, provided we authorise it not later than today. This we have done. The authorisation could be cancelled any time up to 17 December, if the situation improves. The fact that training is taking place will be confidential but may leak. If it does, MOD in consultation with the Paymaster General will take the line that it is no more than a sensible precaution.

If by 20 December it looks as if we might need to move rapidly to put LEADBURN into effect as soon as the holiday period ends on 2 January, we shall need to warn the 15,000 Servicemen who would be involved that on return from Christmas leave they will be at 12 hours' notice to report for oil delivery tasks. We decided to meet again next week before authorising this step. It would certainly become public knowledge almost at once, and there might even be advantage in announcing it.

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Before LEADBURN could be put into effect we would need to proclaim a State of Emergency by Order in Council, since we should not otherwise have the power to requisition the 3,900 oil tankers which the Army would need. 2 January seems to be the earliest this might be necessary. We can clearly leave the decision until nearer the time. But contingency arrangements with the Privy Council Office have been put in hand. It would be necessary for Parliament to be recalled within five days of the proclamation and the Serjeant at Arms will be warned of this just before the Recess if the threat still looks grave enough. I shall need to warn Chief Constables before Christmas that the possibility of proclaiming a State of Emergency exists.

If the situation seems to warrant it, either this week or next, we shall need to authorise the Department of Energy to start printing the information leaflets and other material they will need for LEADBURN.

Finally, we considered the question of likely endurance if LEADBURN is put into effect. Although the plan would pre-empt a large proportion of all their HGV drivers, the Army are confident that they could maintain their side of it for a considerable period. But the Department of Energy feel that with supplies of only about 30% of normal, the position would only be tolerable for, say, 3-4 weeks, because there would be almost no tanker deliveries available for industry (other than essential foods), commerce, or domestic use, within that level. We asked officials to consider urgently what the implications would be of attempting to provide a greater volume of deliveries, both from the point of view of resources and of the legal powers available under the Emergency Powers Act.

The Unit will continue to keep the developing situation under close review, and I will keep you informed.

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I am sending copies of this minute to our colleagues in E, and to the Lord Chancellor, Secretaries of State for Defence, Scotland, Wales, Northern Ireland, Social Services, Education and Science, Paymaster General, Attorney General, Minister of Transport and to Sir Robert Armstrong.

*All this may have been overtaken by today's events, but precautionary planning is still essential*

10 December 1979

*WSD*

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