

Ref. A084/1884

PRIME MINISTER

① Prime Minister ② 16

To note at this stage. I will collect comments from Ministers for you to consider before replying to RTA

→ ② CP to chase replies in two weeks.

AT 4/7

Contingency Planning for an Oil Tanker Drivers' Strike

In response to my minute of ¹³23 October, covering a report by the Official Group on Oil Tanker Drivers (MISC 63), you and other Ministers agreed that the Civil Contingencies Unit (CCU) should explore the feasibility of using service drivers to maintain up to 70 per cent of normal daily road-borne oil deliveries with a view to providing Ministers with options for withstanding any future long strike by oil tanker drivers, should they so wish. Current contingency plans for the use of servicemen in the event of an oil tanker drivers' strike seek to maintain supplies to those users regarded as essential for "life and safety" but not others; the latter include much of industry, road haulage and private motorists, and the aim was to see how far it would be feasible to meet their needs.

2. A Working Group of the CCU was established to carry out the study and their report, which incorporates comments made by officials of Departments represented on the CCU, is attached to this note. I would draw attention particularly to the following points:

- (a) A significant change is imminent in major oil companies' pay negotiation dates (paragraph 3 of the report). Shell are about to change from autumn to spring. This year therefore Esso and BP will be due to settle their annual pay negotiations in the autumn and Shell will join Mobil in negotiating in the spring of next year. It is thought that this move will diminish the chances of an all-out tanker drivers' strike over pay, but that it will spread out the risk of single company strikes. Even these strikes could prove difficult to deal with owing to the interdependence of companies over use of supplying terminals. It is still therefore desirable to have contingency plans, and particularly plans providing a greater degree of flexibility.

(b) It has now been possible to make much more favourable assumptions about the levels of delivery attainable by given numbers of service drivers. It is now estimated (paragraphs 9-12) that 70 per cent of normal daily road-borne deliveries (90,000 tonnes) could eventually be delivered by about 3,500 service drivers using some 3,120 vehicles. (This is a major change from existing plans in which 4,000 service drivers are deemed to be capable of delivering only 60,000 tonnes per day.) Only about 1,500 service drivers would be needed to deliver the 40,000 tonnes per day assessed as necessary to meet the essential needs. At the other extreme, if all available United Kingdom based service drivers with a heavy goods vehicle (HGV) licence (about 5,000) were to be employed some 110,000 tonnes per day - or 90 per cent of normal deliveries - could be achieved.

(c) Contingency planning has been put in hand, with a view to completion before the autumn pay negotiations get under way, based on the three delivery levels mentioned above, but constructed in a way which should give Ministers a wide variety of options - permitting the delivery level most appropriate to the particular circumstances to be selected. It should be noted that, in view of the greatly increased delivery levels now considered possible and the relatively small further improvements that upgrading service drivers' HGV standards would permit (paragraphs 9 and 10) it is intended not to provide for upgrading training in future plans.

3. One of the Working Group's tasks, following the Home Secretary's suggestion in his minute to you of 28 October 1983, was to consider how far we could rely on use of the Emergency Powers Act 1920 (EPA 1920) for requisitioning the oil tankers for servicemen to drive. The problem is that, if the requisitioned vehicles were to be used to deliver supplies not related to the "essentials of life", there might be a basis for a successful challenge in the courts. The difficulty would be removed if the draft Bill to amend EPA 1920, which you and other Ministers have



— agreed should be kept in reserve (Mr Barclay's letter to the Home Secretary's Private Secretary of 4 October 1983), had been enacted. Such a Bill would however be controversial and Ministers would need to consider carefully whether its introduction was desirable. It is therefore proposed that, in addition to examining the legal aspects further, the Working Group should examine the possibility of obtaining the use of the necessary oil delivery tankers without recourse to requisitioning under the EPA 1920. Consultations with the private sector interests concerned would, as in the earlier stages of the work, be carried out through the Oil Industries Emergency Committee.

4. I should be grateful to know if you and other Ministers to whom this minute is copied are content to:

- (a) note the contents of the attached report and in particular that contingency planning is now in hand to prepare a more flexible plan by the coming autumn;
- (b) agree that the further work on legal aspects and the possibility of obtaining oil delivery vehicles without recourse to requisitioning should now be put in hand.

5. I am sending copies of this minute to the Home Secretary, the Chancellor of the Exchequer and the Secretaries of State for Energy, Defence, Scotland, Employment, Trade and Industry, and Transport.

ROBERT ARMSTRONG

3 July 1984

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REPORT OF WORKING GROUP ON CONTINGENCY PLANNING FOR AN OIL TANKER
DRIVERS STRIKE

INTRODUCTION

1. In December 1983 the Civil Contingencies Unit (CCU) agreed to set up a Working Group with the following Terms of Reference:

a. To explore the feasibility and desirability of achieving up to 70 per cent of normal daily road-borne oil product deliveries; taking account of the possibility of using more service drivers than are needed for the present plan and any changes it might prove realistic to make to current assumptions about their relative productivity.

b. To prepare, in the light of the outcome of this work, the necessary contingency plans, constructed in such a way as to allow implementation in discrete stages, to be decided by Ministers in the light of their view of the circumstances of a particular dispute; and using as a starting point the delivery of oil products to meet the requirements listed in Annex C to CCU(82) 50 updated as necessary.

c. To show in the plan what level of delivery might be achieved if all suitable service drivers likely to be available in the UK were utilised and indicate how many additional service drivers would be needed to achieve the 70 per cent level of delivery.

d. To consider whether any parts of the draft Amending Bill for the Emergency Powers Act 1920 (circulated with CCU(83) 24) were likely to be required to facilitate successful implementation of contingency plans resulting from this study;

e. To report the results of their work to the CCU by 1 June 1984.

2. This note reports the results of the work done by the Working Group. The Group had the benefit of assistance from the Secretary of the Oil Industry Emergency Committee (OIEC) who undertook, in consultation with representatives of the OIEC's various sub-committees, much of the detailed work underlying the report.

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3. It should be noted that the pattern of pay negotiations for oil tanker drivers has recently changed. From 1985 Shell negotiations will be held in the spring rather than, as previously, in the autumn at the same time as those of BP and Esso. With Mobil's negotiations in May and those of other companies following after the 'big three' (BP, Esso & Shell) have settled, there will be less concentration of negotiations in a particular period. This reduces the possibility of a concurrent all-out strike over pay but increases the period in which action short of an all-out strike might take place. But a single company strike could be difficult to deal with; drivers of other companies would be unlikely to agree to supply customers of the strike bound company and Government action could cause the strike to spread. A particular complication is that, owing to the universal practice of exchange deals, trouble in one major company may affect the distribution of oil products significantly more than is indicated by that company's market share. Not only might their own storage terminals be picketed, preventing other company drivers from filling-up, but their own drivers might also picket other companies' terminals where they normally loaded up.

CONSUMPTION LEVELS

4. As a starting point the Group felt it necessary to review how much oil was now normally sent by road, broken down by broad categories of user. Estimates of total road deliveries on an annual basis are set out in Annex A. From this it can be seen that of the 65 m tonnes consumed annually about 44.5 m tonnes (or 68 per cent of the total) is delivered by road. This is equivalent to some 122,000 tonnes per day (on a 7 working days per week basis).

5. The Group also felt it desirable to review the list of users that should be given priority in an emergency and the amounts of oil that each such user might be expected to consume. The list of users that has been used hitherto is that set out in CU(82) 50. The figures for consumption in that list were drawn up some five years ago (though the figures for certain categories have been updated since) and it is necessary to take into account the extent to which they have been affected by the general fall in oil consumption over the intervening period. It has always been recognised that Ministers would need to consider the list of priority users further in the light of the circumstances of an actual emergency. However it was considered that some reassessment should be made of the need for certain categories of consumer to receive full supplies in an emergency and to what extent reasonable requests for fuel which might be made by consumers not included in the current priority user list could be met.

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6. Annex D sets out possible consumption figures by four basic categories -

- a. users whose consumption at full normal levels might be regarded as essential for health, safety and life;
- b. users whose consumption is essential but amongst whom some reduction might be achievable;
- c. users to whom it is desirable that oil products be made available but for whom a heavy cut in consumption (say 60%) might be acceptable;
- d. those whose use of oil would mostly be regarded as non-essential (including private motorists) but who might receive some supplies (20 per cent of normal).

7. These figures are essentially illustrative and the categorisation must also be regarded as a matter of judgement subject to reconsideration in the light of circumstances. However they are considered to be satisfactory for contingency planning purposes and the following deductions can be made:-

- a. For purposes which can be regarded as essential to health, safety and life (categories 1 and 2), deliveries would need to be maintained at about 38,000 tonnes per day (though to be safe it would be preferable to allow for 40,000 tonnes per day) and, for all four categories at about 65,000 tonnes per day.
- b. If categories 1 and 2 were supplied, as planned, in full, and if deliveries were to be maintained in full for road haulage and other industrial users as well as an allowance for space heating (say 50% of total space heating demand) then total deliveries would need to be around 75-80,000 tonnes per day.
- c. Consumption for private motoring is difficult to estimate, but including the 20% that has been allowed for in category 4 (about 10,000 tonnes per day), would bring the total delivery requirement up to some 85-90,000 tonnes per day.

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d. On the basis of normal road-borne deliveries being about 122,000 tonnes per day it would be necessary to deliver about 87,000 tonnes per day to meet 70 per cent of that total.

DELIVERY LEVELS

8. The Group considered the delivery levels that could be achieved by varying numbers of Service drivers. Its conclusions, which are set out in para 9 below, are based on the following assumptions -

a. Picketing/sympathetic action

No account has been taken of the effect of picketing of depots and sympathetic strikes by groups other than tanker drivers (eg refinery workers, maintenance staff at depots or clerical staff). The effects of such action are unquantifiable but, if widespread, could be very substantial and invalidate the conclusions reached in this report.

b. Supply to terminals

It has been assumed that the product available would be routed through the 60 currently nominated terminals on which the existing plans (PARVENU/THORPE) are based. 20 of these are main terminals and 40 satellite. The principal criteria for their selection were that -

(i) their inward supplies of product are NOT road delivered. The reason for this is to minimise the effect of a road based strike but it assumes no secondary picketing of pipeline, rail or water inward movements;

(ii) they handle a broad range of products. This helps to concentrate and maximise the use of manpower, both service and industry.

Should inward supplies dry up at any of these locations, other terminals would be brought in, in succession, to help.

However, 60/70 is about the maximum available within both criteria (a) and (b). Generally a much greater than normal throughput at each terminal would be required, not necessarily at the 40,000 tonnes/day level but certainly at the higher levels (eg at the level of 87,000 tonnes required to meet 70 per cent of daily road-borne deliveries). However it is thought unlikely that this will act as a serious constraint.

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c. Administrative back-up

All companies have, to some degree, computerised and centralised ordering and accounting procedures; this means that in practice there are few clerical staff at the terminals. If the plans are implemented these procedures will at present need to be altered substantially to take account of the fact that deliveries will be made from only a limited number of terminals, often for orders taken by a different company from that operating the terminal. The problem would be greater, the higher the rate of deliveries. The industry believes that it would be manageable but initially some degree of delay and confusion might be expected. The OIEC is studying further the possibility of -

(i) speeding up the transfer of data - even by physical methods - from one company to another, eg daily messengers;

(ii) adapting the Movement Order/Delivery Note to enable data transmission to operate.

d. Number and Category of service drivers

The maximum number of UK based servicemen available for road distribution planned in the UK, subject to operational constraints at the time would be -

<u>Drivers</u>	HGV1	1700	<u>Mates</u>	1700
(excl lpg)	HGV2	1400		1400
	HGV3	<u>1900</u>		<u>1900</u>
		5000		5000
lpg only	HGV1	80		80

Yard operatives, on the basis of 2 per terminal, ie 120 in total, would also be made available for general duties in terminals. In addition to this there would be some 200 RAF drivers carrying out aircraft refuelling duties at selected airports.

Service commitments are such that the number of Service drivers available fluctuates fairly widely. Although, therefore, up to 5280 drivers could in theory be made available, there can be no guarantee that this precise number could be found without cancellation of or withdrawal from important defence commitments. Decisions on

relative priorities would have to be taken by the Ministers in the light of circumstances at the time.

The Ministry of Defence (MOD) would expect legal restrictions affecting drivers hours to be waived. All other managerial/supervisory staff would be provided by the oil industry.

e. Fleet composition and strength

It has been assumed that fleet composition and strength would be as it was in September 1983. At that time the total fleet of the 13 OIEC companies (including Charrington/Hargreaves vehicles working for Mobil) was 3554. Details are set out in Annex C. To this can be added some 2500 vehicles, mainly HGV 2/3 belonging to minor oil companies, to the authorised distributors of major oil companies and contractors, the last being occupied occasionally in carrying non-oil products. Events at the time would determine to what extent the non-OIEC company vehicles would be affected by the strike (whilst some of the drivers may not be on strike they might not be able to obtain supplies from strike-bound main terminals). It has been assumed that 10 per cent of vehicles will be out of commission at any one time for repairs or routine maintenance work. It should be noted that fleet composition is a changing scene with a trend to large vehicles at the expense of smaller ones. The following table sets out the type and number of vehicles that would be required using 3500 and 5000 service drivers respectively.

<u>3500 Drivers</u>		No of vehicles needed at any one time	No of vehicles needed to be requisitioned	Mainfleet	Others
HGV1	1700	1700	1890	1890	
2	1400	700	780	740	40
3	400	400	450	450	
		<u>2800</u>	<u>3120</u>	<u>3080</u>	<u>40</u>
<u>5000 Drivers</u>					
HGV1	1700	1700	1890	1890	
2	1400	700	780	740	40
3	<u>1900</u>	<u>1900</u>	<u>2110</u>	<u>440</u>	<u>1670</u>
		4300	4780	3070	1710

f. Operating Patterns

It has been assumed that there would be double shifting (of 2 x 8 hours) of HGV2 vehicles due to the vehicle strength and service driver availability (742 vehicles, 1400 drivers). All other vehicles would work a single shift of 11 hours, but with staggered start times. Similarly, it has been assumed that each vehicle would average 1½ deliveries per shift (probably ranging from 1 to 3). Whilst this is a conservative estimate by oil industry standards (they work on two deliveries per shift), the figure of 1½ is based on the lack of familiarity with vehicles, routes and customers' premises; this is however offset by greater productivity through lack of restrictive practices. In all cases, it is assumed that service drivers would work 7 days a week.

Delivery levels that could be achieved

9. Delivery levels have been calculated under two basic options, - related to whether or not a programme to upgrade service drivers HGV qualifications had been undertaken.

Details of delivery levels achievable under these two options are given in Annex D. In summary they are -

Number of service drivers	Delivery Capability	
	No driver upgrading	With driver upgrading
3,000 drivers	84,000 t/day	86,000 t/day
3,500 "	90,000 "	98,000 "
4,000 "	98,000 "	105,000 "
5,000 "	110,000 "	119,000 "

10. The advantage of driver upgrading is that the level of deliveries would be increased. There are however a number of disadvantages which are -

a. The shortage of Service owned articulated vehicles means that it would take 2 weeks to upgrade 150 drivers, 3 weeks to upgrade 300 drivers, 4 weeks for 450, 5 weeks for 600 and so on. These upgraded drivers would therefore not be available until well after the strike had begun.

b. The training would have to be carried out on small 8 tonne articulated vehicles, which would not prepare the driver at all well for coping with 32 tonne heavy articulated oil tankers. There would therefore be an increased risk of accidents occurring because of lack of familiarity with and skill in handling the larger vehicles.

c. Upgrading HGV2 to HGV1 would also empty the pool of HGV2 drivers, which would mean that they would not be available to deliver oil. This would in turn require upgrading training of HGV3 drivers to HGV2 standard to enable them to operate the large numbers of HGV2 vehicles held in oil industry fleets, which would place even more pressure on the training staff and would reduce the number of HGV3 drivers available

d. There could also be industrial relations problems at the Army School of Mechanical Transport at Leconfield (where the upgrading would take place) which could impede the upgrading process - many of the instructors are civilians.

e. Although upgrading training would result in service HGV2 drivers competent to drive HGV1 vehicles, they would not thereby qualify for HGV1 licences.

Overall, although upgrading training could increase the level of achievable daily deliveries, the difference would be relatively small and given the delay that would be incurred and the enhanced risk of accidents it is concluded that such training should not take place.

11. The following number of drivers and vehicles would need, on the assumption of no driver upgrading, to be provided to secure the stated levels of delivery -

(i) essential only - say 40,000 tonnes per day - about 1500 HGV1 drivers and about 1650 HGV1 vehicles.

(ii) 70 per cent of normal deliveries - say 90,000 tonnes per day; about 3500 HGV1/2/3 drivers and 3120 vehicles (including 40 from outside the main fleet).

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(iii) 90 per cent of normal deliveries - say 110,000 tonnes per day; about 5000 HGV1/2/3 drivers and 4780 vehicles (including 1710 from outside the main fleet).

12. When the existing plans were originally drawn up it was envisaged that 4000 drivers would be required to deliver 40,000 tonnes per day of product. Since then, in the light of experience gained during the Ulster workers strike in 1979, it has been presumed that 4000 drivers could deliver up to 60,000 tonnes per day. The new figures above suggest that 60,000 tonnes could in fact be delivered by some 2000 service drivers. The main reasons for this change are -

(i) there have been considerable changes in the composition of delivery fleets with a far higher proportion of large articulated vehicles carrying 20 tonnes apiece;

(ii) the productivity of servicemen is likely to be higher than previously thought. Though servicemen at least initially will be unfamiliar with the vehicles, handling procedures and routes, they will be unhampered by restrictive practices and will be working 7 days a week. They should therefore within a short time of starting deliveries, be able to achieve a higher level of output than the tanker drivers themselves.

Build up over time

13. The Services would require a minimum of 4 clear days after deployment to train their drivers up to the point at which they could start to deliver product. 7 days notice to move would normally be required before deployment and training could begin. Thus it could take as long as 11 days after a first warning for the use of troops before deliveries could start. However it can reasonably be assumed that the notice might have been shortened before the strike began. For the purposes of this report a lead time of 4-11 days has been adopted though it is likely that deployment and training will not start until the day after the strike starts, because Ministers will probably wish to assess the response to the strike call before authorising service assistance. Moreover, because of both inexperience by servicemen and possible administrative difficulties (see para 8c) the tonnages shown in para 9 would be likely

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to be achieved only after several days' experience - assumed to be a minimum of 4 days but quite possibly longer. Attached at Annex E is a graph showing that the lead time (4 to 11 days) plus these 4 days would produce a theoretical backlog of deliveries ranging from 160,000 tonnes to 440,000 tonnes, and recovery to the status quo pre-strike could take up to 24 days. It must be stressed that the data in the graph does NOT take into account the use of stocks held at customers' premises and therefore represents the worst possible case. Such stock levels could vary from zero to 3 weeks. Some of the demand by essential services would also be lost if not satisfied immediately. For these reasons the actual backlog would be considerably less than the figures in the graph suggest.

14. The question has also been considered whether it would be worthwhile starting with say 5000 drivers and reducing to, say, 3500 once the backlog has been overcome. It should be remembered that the deployment of 5000 drivers would require the use of distributors' vehicles, the requisitioning of which would be more difficult than that of oil company vehicles; it would also involve a larger number of servicemen being present at each terminal, with the organisational problems that would result. It is considered prudent therefore, to start with 3500 drivers rather than the maximum possible of 5000. The initial difficulties of setting up the operation would be less, as would the disruption to service activities. If it transpired at a later date that additional drivers were to be required, then it should be much easier to add the additional drivers on to an already existing operation.

DESIRABILITY OF INCREASING DELIVERY LEVELS

Effects on services of use of Service drivers

15. The current plans are based upon the provision of 4000 service drivers and, without any conversion training of HGV2 drivers, these would comprise -

HGV1	1700
HGV2	1400
HGV3	900

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The HGV1 and 2 drivers would come mainly from specialist transport units whose day to day work of delivering weapons and other stores, both for service use and in support of sales and of providing transport for field units would be severely disrupted. Where possible civilian contract drivers would be taken on to make good the shortfall but even assuming sufficient civilian drivers could be found to take on the tasks, and that the resulting high costs were acceptable to the Department of Energy, these drivers would not have the same flexibility as service drivers and consequently peacetime delivery tasks and unit training could be expected to deteriorate considerably.

16. Provision of 900 HGV3 drivers, (46 per cent of all service HGV3 drivers in the UK), would involve taking drivers from combat arms and units. Training and peacetime administrative tasks would be affected since, in an average infantry battalion, virtually all day to day transport requirements are met by 4 ton vehicles driven by HGV3 qualified personnel. Without the drivers the unit would not be able to move. It would of course be possible, as stated above, to bring in civilian contract drivers but the same constraints would apply and peacetime training and all general unit activities would suffer accordingly.

17. If more than 900 HGV3 drivers were required the effects would worsen as the numbers increased until, with all 1900 UK HGV3 drivers employed on oil tanker duty the services would be almost totally reliant on civilian contract personnel.

18. Provision of more than 5000 drivers (of any grade) would necessitate bringing back personnel from British Forces Germany (BFG). This would be particularly difficult for the Ministry of Defence since the withdrawal of only a small number would have a detrimental effect on troop movements and on the transport of supplies. This would lead to a degradation in operational capability and in states of readiness, which would cause the UK to fall below the standards laid down by NATO. The Ministry of Defence would therefore find it difficult to support any level of delivery that required the withdrawal of drivers from BFG.

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19. Each service driver deployed would require a 'mate' and whilst these would not be specialist personnel and the effects on day to day tasks would be less marked, individual training would suffer, leading eventually (depending on the length of the deployment) to an unacceptable fall in operational standards.

Other considerations

20. Additional relevant factors are -

- a. it is generally recognised that the Government has a duty to maintain essential services in the interests of the community. If however servicemen were used to achieve deliveries that could be regarded as going beyond this (ie deliver more than, say, 40-60,000 tonnes per day) union acquiescence might be less readily forthcoming and the risks of sympathetic action in related areas (eg refining) could increase markedly. Such action could lead to the cessation of supplies altogether, a fear that is genuinely felt in the oil industry. The risks will need to be balanced at the time against the benefit of maintaining a higher level of deliveries (eg full deliveries to industrial users, road haulage and an increased level of deliveries for heating use).
- b. If deliveries are increased to the extent that some petrol can be made available to motorists for non-essential purposes (ie those not listed in categories 1, 2 or 3 in Annex B), then some means of allocating supplies will need to be found, particularly for use in rural areas. A formal rationing scheme would not be viable, as it would take some 6 weeks to introduce. However, some form of Government direction would need to be established as uncontrolled market forces could not be relied upon to solve the problem.

21. It is not possible to say in advance whether or not it would be desirable to raise delivery levels above those required to maintain essential services. The balance between these various considerations would need to be properly assessed at the time a strike took place.

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ADEQUACY OF EMERGENCY POWERS LEGISLATION

22. In the event of a petrol tanker drivers strike it would be necessary for the Government to requisition sufficient road tanker vehicles to permit service drivers to implement the OIEC's Emergency Road Distribution Plan (ERDP). Requisitioning powers could be made available only if a state of emergency was to be declared under the Emergency Powers Act 1920 (EPA 1920) (Emergency Powers Act (Northern Ireland) 1926 (EPA(NI) 1926) in Northern Ireland. As long as Ministers considered that a threatened or actual strike by petrol tanker drivers would be likely to interfere with the supply and distribution of fuel, thereby depriving the community (or any substantial portion of the community) of this particular essential of life then EPA 1920 could lawfully be invoked.

23. However EPA 1920 confers authority to make emergency regulations only for securing the essentials of life to the community. The legality of any tanker vehicle requisitioning carried out under the emergency regulations could be challenged in the courts if it was considered that the level of deliveries intended by Ministers would go beyond a reasonable interpretation of what constituted the essentials of life for the community or any substantial portion of it. The Trades Unions involved in the dispute would probably not be averse to mounting such a challenge if they saw an opportunity of embarrassing the Government and enhancing their own position.

24. There is currently held in reserve the draft of a bill to amend EPA 1920 (but not EPA(NI)1926) in a number of ways, some of which could be considered relevant to a future strike by petrol tanker drivers should Ministers wish to authorise delivery of supplies in excess of what might be generally regarded as necessary solely to maintain the essentials of life. (See CCU(83)24 and (83)41). The amending bill would, if enacted, add to the 'essentials of life' condition the causing of serious disruption to its (the Community's) life, or putting its health or safety seriously at risk; or causing grave damage to the economy or any sector of the economy of Great Britain, or to the economy of any area of Great Britain; or to any industrial or commercial undertaking whose continued operation was deemed to be essential in the national interest. Conditions under which subsequent necessary emergency regulations might be made and implemented would be correspondingly widened.

25. It would seem therefore that although EPA 1920 as it currently stands would suffice for declaring a state of emergency and making emergency regul-

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ations under which road tanker vehicles could legitimately be requisitioned it might be better to have the amending bill enacted before the Government attempted to achieve levels of delivery which have been shown to be feasible but which might not survive a legal challenge if the 'essentials of life' were to be the sole criteria on which deliveries were to be judged. Initial reflection by Home Office lawyers confirms this view: that is that the 1920 Act would not be sufficient if the intention were to be to achieve levels of delivery around 70 to 90% of normal, thus going beyond the criterion of "essentials of life". This is so despite the view that a petrol tanker requisitioned by virtue of the 1920 Act for meeting the "essentials of life" purposes could probably be used for occasional non-essential purpose without a court giving any encouragement to an attempt to challenge the lawfulness of that use and the original requisitioning. But it must be said that it would be difficult for Government lawyers to defend the use of the Act and expenditure under it for purposes which generally went beyond the "essentials of life" criterion.

26. The purposes of the draft Bill are much wider. In the context of emergency distribution of oil products, the provisions which appear particularly relevant are those concerned with serious disruption of the life of the community, and grave damage to the economy, a sector of the economy, or an industrial or commercial undertaking regarded as essential to the national interest. A difficulty here, however, might be in the width of the concept of "serious disruption of the life of the community". It would appear that it must relate to something distinct from, even if overlapping with, the other matters in the draft Bill. Bearing in mind the overall purposes of emergency legislation it might be thought that private motoring was not within the scope of that concept, even though drivers might be said to form a substantial portion of the community - though not necessarily a particularly vulnerable one. In any case where the plans implemented provided a level of distribution above that required to meet essential needs it would be necessary to be able to demonstrate, if challenged, that the requisitioning of tankers used for that purpose properly fell within the meaning and purposes of that part of the draft Bill called upon to enable the act of requisitioning.

27. Clearly any decision about the level of deliveries to be authorised would need to be made in the light of prevailing circumstances, and it will certainly be necessary to seek further and formal legal advice at that

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time, before considering the question of enacting the draft amending Bill. However, it would appear to be necessary to be clear which parts of the Bill were to be called upon as the means of providing requisitioning powers and it would be necessary to make that decision and thus to secure amendment of the Act well before development of a strike to the point where activation of the plan was required.

CONCLUSIONS

28. The following main conclusions can be drawn from the work done so far -

a. subject to the assumptions detailed in paragraph 8 above, in particular that there is no sympathetic action or picketing and that up to 5000 drivers are made available - it should be possible to deliver up to 110,000 tonnes of oil per day (representing about 90 per cent of normal deliveries);

b. it should be possible to achieve delivery levels of 119,000 tonnes per day if drivers were to be upgraded; however in view of the time factor and increased risks of accidents it is recommended that this option is not pursued further;

c. again, subject to the assumptions listed in paragraph 8, it should be feasible to deliver oil sufficient to maintain essential services (ie 40,000 tonnes per day) using only about 1500 service drivers and to deliver supplies equivalent to about 70 per cent of normal using about 3500 drivers;

d. the delivery levels mentioned above could not be achieved immediately the relevant contingency plan was implemented - between 8 and 15 days would be required to achieve the selected level of daily delivery and it would be even longer before a significant amount of 'delivery backlog' could be made up.

e. The use of 5000 UK based service drivers is considered to be feasible but it would result in severe limitations to normal service activities and possibly an unacceptable fall in operational standards.

END USE	TOTAL ANNUAL CONSUMPTION ALL MODES	Estimated annual consumption - road deliveries only - in '000 tonnes per year								
		LPG	AVGAS	MOGAS	AVTUR	Burning oil	Gas/diesel	Fuel oils	TOTAL all prod by road tonnes %	
(Source D/Energy stats. 1982)										
INDUSTRY										
Iron & Steel	1220	15					171	202	388	31
Other	11600	756				370	2805	4323	8524	71
	12820	771				370	2976	4525	8642	67
TRANSPORT										
Rail	740					10			10	1
Water	1100						24	5	29	3
Air	4504		30		1100				1130	25
Road	24978			19247					24978	100
	31322		30	19247	1100	10	5755	5	26147	83
DOMESTIC	2148	228				1340	520	60	2148	100
OTHER FINAL CONSUMERS										
Public Admin.	3470					10	2090	1370	3470	100
Agriculture	980					10	800	170	980	100
Miscellaneous	1820						1240	580	1820	100
	6270					20	4130	2120	6270	100
TOTAL - FINAL USERS	52560	999	30	19247	1100	1740	13381	6710	43207	82
plus										
FUEL PRODUCERS (a)	12680	x					x	x	1268	10
TOTAL (b)	65240								44475	68

NOTES:

(a) Fuel producers covers LPG, Naptha, Gas and Fuel oils

(b) not separately identified: lubricants and bitumen, and various special products.

(x) not separately known

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Categorisation of End-uses as Essential/Non Essential

1. Demands in the following table have been classified into four categories as under:

Category 1	Essential for defence, health, safety and life - No cut.
Category 2	Essential as in Category 1 - No cut, but a slight cut in consumption might be achievable. No allowance has been made for this.
Category 3	Desirable, but a heavy cut will be necessary. A cut of 60% has been assumed.
Category 4	Non essential. A cut of 80% has been assumed.

The list of end uses in categories 1 and 2, approximate to the list of "Authorised Purposes" in the existing orders.

2. The total tonnage daily deliveries (over a 7 day delivery week) are as under:-

Category 1	9,528	
Category 2	28,895	
Category 3	15,343	
Category 4	10,389	
	<hr/>	
Total	64,115	say 65,000 tonnes/day
	<hr/>	

3. If the daily tonnages of categories 3 and 4 were prorated up to their normal demand, and the results added to categories 1 and 2; the resultant total tonnage is some 128,600 tonnes. Whilst this is more than the total estimated daily road delivery of 122,000 tonnes, the difference is considered to be within acceptable error.

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MOGAS DERV MID DIST/FUEL OIL AVTUR
 [gallons per day over a 7 day week]

CATEGORY 1: Essential for health, safety and life - 100% of demand

Police	57,000	1,200		
Fire	3,000	15,000		
Hospitals (incl ambulances)	1,400*	24,500	1,102,500	
Other accidents/emergencies	1,100*			
Sewerage)				
Water supply)	7,900*	4,600	32,000	
Burial/Cremation	13,150*			
Prov of medical & Veterinary	63,000*	28,000		
Services & supplies				
Welfare services (disabled, special schools)	17,000			
Refuse collection		68,000		
Armed Services (except heating)	75,900	98,100	209,480	618,860
Sub Total	239,450 (86,550*)	239,400	1,343,980	618,860

CATEGORY 2: Essential as in Cat 1 - 100% of demand, but some reduction might be achievable. Figures below are for 100% demand.

Energy generation/distribtuion:

Electricity)				
Gas)				
Coal)	27,000*	80,000		
Oil)				

Communications:

Newspapers)				
TV)	11,000*	5,200	60,000	
Telecommunications	32,500	9,900		
Postal services	38,100			

Transport:

Licensed stage services)				
Express services)				
Works services)	61,400	620,000		
Airport bus services)				
British Rail)				
Ships/ferries)	850	3,700	47,000	
docks/ports)				
Airport operations	400	80		233,600+
Taxis	7,000*	2,200		

* represents supplies taken through filling stations
 + Road deliveries at designated airports only

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	MOGAS	DERV	MID DIST/FUEL OIL	AVTUR
<u>Food:</u>				
Agriculture/ horticulture)	667,000*	1,352,000	1,275,000	
Food manufacture/ preparation/distribution)				
Ice - ditto)				
Animal slaughtering)				
Fishing	400		183,000	
<u>Manufacturing:</u>				
Continuous processes			337,000	
<u>Essential Services</u>				
(Local auth, gritting, AA/RAC)	18,500*	13,000	2,125,000	
<u>Laundries</u>	12,500	12,500	31,500	
<u>General Services</u>				
eg diplomatic, justice religion etc	44,900*	21,500		
<u>Sub Total</u>	<u>921,550</u> (775,400*)	<u>2,120,080</u>	<u>4,058,500</u>	<u>233,600</u>

CATEGORY 3: Desirable, but heavy cut of 60% assumed

Other manufacturing activities (not covered in CAT 1 or 2)		610,000	1,800,000	
Horticulture (if not for food eg flowers)			16,000	
Forestry incl timber			4,000	
Heating:				
- educational estab)				
- military estab)				
- public buildings)			1,145,000	
- offices/hotels)				
- private house)			173,000	
Printing and publishing (if not newspapers)				
<u>Sub Total</u>		<u>610,000</u>	<u>3,138,000</u>	

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MOGAS DERV MID DIST/FUEL OIL AVTUR

Category 4: non-essential - 80% cut assumed

Heating:

Religious premises)			
(if not schools))			
Places of entertainment)		55,000	
Catering establishments)			

Tourist Activities:

Coaches		7,000		
Air				100,000
Inshore vessels			Marginal	

Private Motoring: 2,880,000*

<u>Sub Total</u>	<u>2,880,000*</u>	<u>7,000</u>	<u>55,000</u>	<u>100,000</u>
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<u>Grand total</u>	<u>4,041,000</u>	<u>2,976,480</u>	<u>8,595,480</u>	<u>952,460</u>
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Supplied through designated filling stations (Categories 1 & 2 only)	861,950	Not known, but little		
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conversion factor: gallons/tonne	295	260	242 (50/50 MD/FO)	276
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Tonnages per day	13,698	11,448	35,518	3,451
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<u>TOTAL TONNES PER DAY</u>	<u>64,115</u>			
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ANNEX C

	ARTIC	RIGID			
	(Group 1) 32	(Group 2) 30t	(Group 2) 24t	(Group 3) 16t	(Group 3) 10t
Majors	1571	291	127	208	3
Other 9	722	170	74	121	2
Char/Har	78	50	30	107	
TOTAL	2371	511	231	436	5
TOTAL	2371	* 742		441	

		3554	
Av.Net Capacity	20	17	9
Shift Pattern	1 x 11 hr	2 x 8 hr	1 x 11 hr
Delivery Capacity on basis of 1½ deliveries/shift	30	51	13.5
Army driver availability	1700	1400	900 =4000
Vehicles available (assume 10% off)	2134	668	401
		3203	
Volume deliverable	64020	34068	5414
TOTAL		103502	

* extra HGV 2 type vehicles would be available from Distributors if thought desirable.

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ANNEX D

1. 3000 Drivers

	drivers	tonnage		drivers	tonnage
HGV 1	1700 (a)	51000		2134 (c)	64020
2	1300 (b)	33150		866 (d)	22083
3	NIL	NIL		NIL	NIL
TOTAL	3000	84150		3000	86103

2. 3500 Drivers

	drivers	tonnage		drivers	tonnage
HGV 1	1700(a)	51000		2134 (c)	64020
2	1336(b)	34068		1336 (f)	34068
3	401(e)	5414		30 (g)	405
TOTAL	3437	90482		3500	98493

3. 4000 Drivers

	drivers	tonnage		drivers	tonnage
HGV 1	1700 (a)	51000		2134 (c)	64020
2	1336 (b)	34068		1336 (f)	34068
3	964 (h)	13014		530 (i)	7155
TOTAL	4000	98082		4000	105243

4. 5000 Drivers

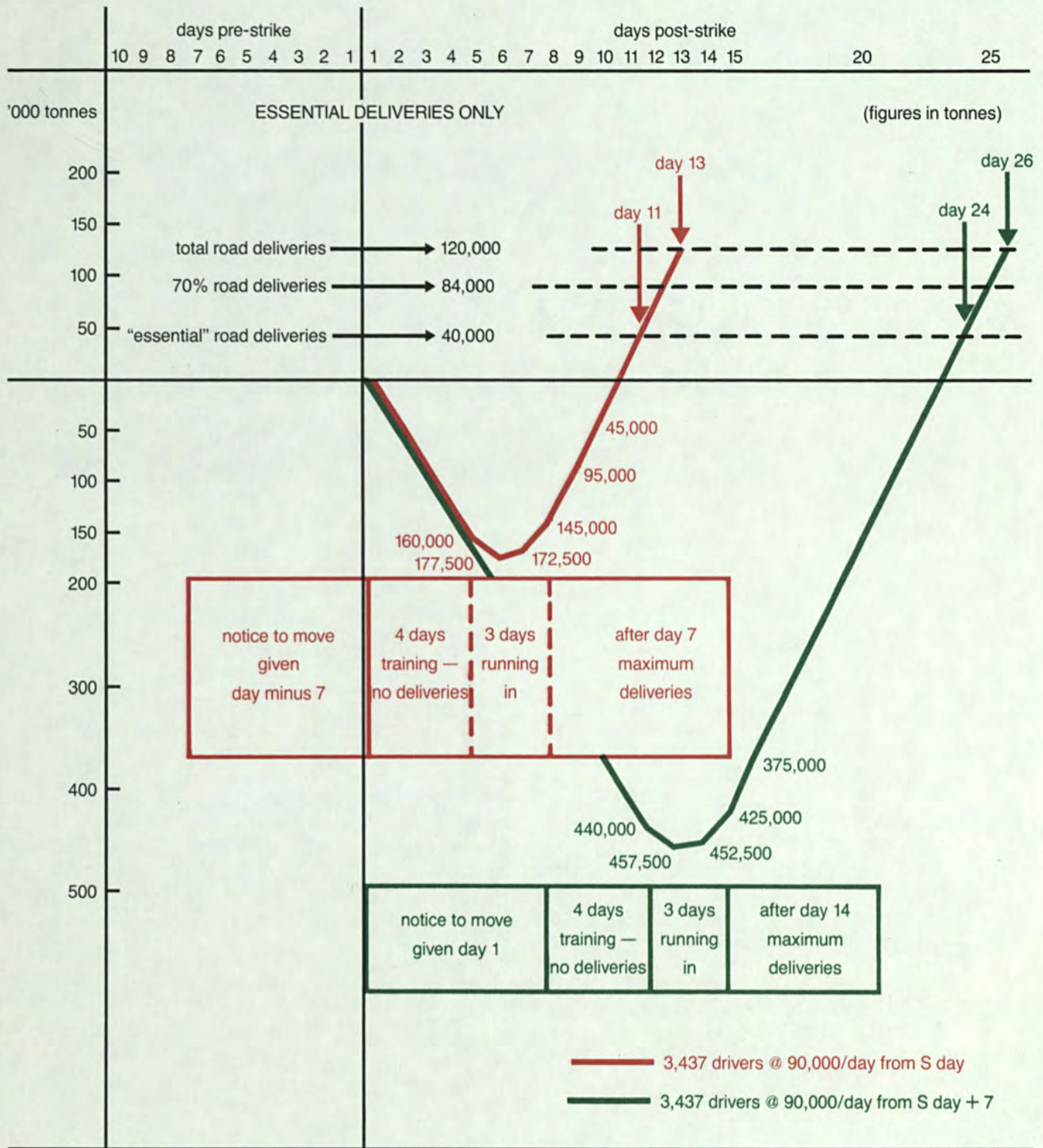
	drivers	tonnage		drivers	tonnage
HGV 1	1700 (a)	51000		2134 (c)	64020
2	1336 (b)	34068		1336 (f)	34068
3	1900 (j)	25650		1530 (k)	20655
TOTAL	4936	110718		5000	118743

Notes:

- (a) no driver conversion
- (b) 668 vehicles double-shifted (10% veh. off road)
- (c) 434 drivers converted to HGV 1 from 2 (10% veh. off road)
- (d) 866 = balance to 3000, drivers/vehicles spare
- (e) 401 available (10% veh. off road); drivers spare
- (f) 370 drivers converted to HGV 2 from 3 (10% veh. off road)
- (g) residual number up to 3500
- (h) 523 extra vehicles required from distributors
- (i) 89 " " " " " "
- (j) 1900 HGV 3 drivers available; 1459 extra veh.s reqd. from distributors
- (k) 1530 " " " " " " ; 1089 " " " " " "

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- the purpose of this graph is to show the recovery time (lead time) which would elapse from the day troops were ordered to move to when deliveries would begin
- the red line is the best case, with an accumulated backlog of 160,000t (40,000t X 4 days)
- the green line is the worst case, with an accumulated backlog of 440,000t (40,000t X 11 days)