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10 DOWNING STREET

THE PRIME MINISTER

7 February 1983

*Dear Mr. White,*

Thank you for your letter of 27 January asking me to meet a delegation of industry representatives and the All Party Parliamentary Paper Group to discuss the recent proposed closures of some Wiggins Teape and other mills, including one in your constituency.

Although the closures represent separate commercial decisions taken by the companies involved in the light of the different circumstances they are facing I fully appreciate your Group's concerns over the proposed closures.

As you will know, I am willing to meet individual members about closures in their constituencies and I have in fact agreed to see Bob Dunn about the Dartford Mill. However, I have always said that I think it is more sensible for delegations to meet the Minister directly responsible. Because of this, and since the meeting you have in mind concerns more general matters of importance to the paper industry as a whole, I believe the delegation should meet a Department of Industry Minister. Perhaps Harvey Proctor, in his capacity as the Group's Secretary, will settle a suitable time and date with Patrick Jenkin's Private Office for your delegation to hold a full discussion with him. He will, I know, keep me fully in touch with the industry's position.

*Yours sincerely*

Frank R. White, Esq., J.P., M.P.

*Raymond Shelden*

*— JLL*





Secretary of State for Industry

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

4 February 1983

Willie Rickett Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
London SW1

*Dear Willie,*

You wrote on 28 January 1983 enclosing a copy of the letter which Mr Frank White MP, in his capacity as Chairman of the All Party Parliamentary Paper Group, has sent to the Prime Minister. This asked her, in the light of recently announced paper mill closures, in particular in the Wiggins Teape Group, to receive a delegation from both sides of the paper industry and of political parties in the House.

2 The closures announced by Wiggins Teape on 26 January involve (a) the shut down within three months of the New Bury Mill which makes packaging papers. This is in Mr White's constituency and will cause 200 redundancies. They also involve (b) the closure within three months of two packaging paper machines at Wiggins Teape's Dartford mill, the main cause of 380 redundancies there, (c) a further 360 redundancies at the Dartford mill within the next two years due to the closure of some fine paper machines and (d) a further 70 redundancies at Wiggins Teape's Lincoln works. However, this withdrawal of Wiggins Teape from packaging papers, a declining sector due to the growth of plastics packaging, and the relocation of some of its fine paper making activities, needs to be set in the context of a £9m investment by the company's Fine Paper Division at its mills at Aberdeen, Ivybridge and Dover announced at the same time by Wiggins Teape. The company is one with a good investment record in growth areas and has been and is investing over £45m over a five year period in its carbonless copy papers business alone, as well as £42m in the manufacture of other papers.

3 The other closures to which Mr White refers probably concern Trinity Paper Mills who, earlier last month, announced the intended closure of a mill at Bolton, which will cause 200 redundancies, and Thames Board who, due to increasing losses at the Warrington mill, have announced its intended closure in April with 796 redundancies. (Last year, of course, Thames Board opened a major new board mill at Workington.)





4 These latest closures represent separate commercial decisions by the three companies concerned but, coming so closely together, have added to the concerns of an industry already conscious of a loss of over 20% of its capacity over the last three years. In the face of them, an Early Day Motion (copy attached) signed by 100 Opposition members has recently been tabled and the points mentioned in it about energy costs, cheap and allegedly unfair imports and the case for giving the industry more protection and support are those that the delegation is likely to wish to discuss. More specifically the delegation would be likely to refer to the increasing import penetration for paper and board, 60% in 1982, the continued reports of State Aids to their industries in some other Western European countries and the disadvantages suffered by energy intensive high load factor electricity users here in comparison with the Continent.

5 These are all points which, since the onset of the recession, Ministers here have discussed on a number of occasions with various representatives from the industry. Most recently, industry representatives and members of the All Party Paper Group came in to see the Parliamentary Under Secretary of State, Mr John MacGregor, in November of last year, specifically to discuss the industry's energy costs. In respect of this latest request for a meeting it is suggested that the All Party Paper Group and the industry representatives should be invited to address their points to my Secretary of State and I attach a draft reply along these lines.

*Yours ever,*

*Caroline Varley*

CAROLINE VARLEY  
Private Secretary



ccPS/Secretary of State  
PS/Mr Baker  
PS/Mr MacGregor  
PS/Secretary  
Mr Manzie  
Mr Bryant CTP  
Mr Woodrow Inf

240 CLOSURES IN THE PAPER INDUSTRY

Mr Frank R. White  
Mr Doug Hoyle  
Mr Robert Litherland  
Mr Dennis Canavan  
Mr Dale Campbell-Savours  
Mr John Evans

★ 100

Mr Ernie Ross  
Mr John Sever  
Mr Giles Radice  
Mr David Young  
Mr John Forrester  
Mr Stuart Holland  
Mr Alex Eadie  
Mr Raymond Powell  
Mr Guy Barnett  
Mr Eric S. Heffer  
Mr Russell Kerr  
Mr Martin Flannery

Mr George Morton  
Mr Lawrence Cunliffe  
Mr Bob McTaggart  
Mr Jim Callaghan  
Mr Arthur Davidson  
Mr Gwilym Roberts  
Mr George Robertson  
Mr Roy Hughes  
Mr Ted Graham  
Mr Martin O'Neill  
Mr Terry Davis  
Mr Andrew Bennett

Mr John Tilley  
Mr Bruce George  
Mr William McKelvey  
Mr Neil Carmichael  
Mr Bob Cryer  
Mr Robert Hughes  
Mrs Helen McElhone  
Mr Ioan Evans  
Mr John Maxton  
Mr Alec Woodall  
Mr Bill Fiomewood  
Mr Norman Hogg

Mr Stan Thorne  
Mr John Golding  
Dr David Clark  
Mr Gordon Oakes  
Mr John Prescott  
Mr Ken Weetch  
Mr William Wilson  
Mr Donald Anderson  
Dr Roger Thomas  
Mr Joe Dean  
Mr Robert Parry  
Mr Stanley Newens  
Mr Denzil Davies  
Mr Kenneth Marks  
Mr A. W. Stallard  
Mr Leslie Spriggs  
Mr J. D. Concannon  
Mr George Park  
Mr Clive Soley  
Mr Christopher Price

Mr Tam Dalyell  
Mr Tom Clarke  
Mr Dan Jones  
Mr Frederick Willey  
Mr David Winnick  
Mr Roger Stott  
Mr Gregor MacKenzie  
Miss Joan Maynard  
Mr Dennis Skinner  
Mr Gareth Wardell  
Dr Oonagh McDonald  
Mr George Foulkes  
Mr Jim Marshall  
Mrs Ann Taylor  
Mr Alfred Dubs  
Mr Frank Hooley  
Mr Norman Buchan  
Dr Edmund Marshall  
Mr Phillip Whitehead

Mr Greville Janner  
Mr James Hamilton  
Mr Charles R. Morris  
Mr Tom Torney  
Mr Geoffrey Lofthouse  
Mr Hugh McCartney  
Mrs Renée Short  
Mr Ronald Leighton  
Dr Shirley Summerskill  
Mr Tony Benn  
Dr John Cunningham  
Mr Ron Lewis  
Mr James Lamond  
Mr John Sever  
Mr Hugh D. Brown  
Mr Edwin Wainwright  
Mr Frank Haynes  
Mr David Watkins  
Mr Stanley Cohen

That this House expresses serious concern over recently-announced closures in the United Kingdom paper industry, particularly the closure of mills in the Trinity, Wiggins Teape and Thames Board Mills Groups; understands that the underlying reasons behind these closures of high energy costs and heavy duty oil tax, in comparison to foreign competitors, cheap imports being the dumped surplus capacity of the industry's competitors, are well known to Government and have been emphasised by many honourable and Right honourable Members in debate and at Question Time; and therefore urges the Prime Minister to give Cabinet consideration to a programme of constructive intervention to give support and protection to the British papermaking industry before its total eclipse by unfair competition.





BRIEF FOR THE LEADER OF THE HOUSE

EARLY DAY MOTION No 240

SUBJECT CLOSURES IN THE PAPER INDUSTRY

#### SPEAKING NOTES

I appreciate the concern the proposed closures are causing. However they represent separate commercial decisions by the three companies concerned in the face of market conditions. A debate next week will not change the situation.

#### BACKGROUND NOTE

- 1 On 10 January Trinity Paper Mills announced the intended closure of its Springfield Mill Bolton with 100 redundancies.
- 2 On 20 January Thames Board announced the intended closure of its Warrington mill with 796 redundancies.
- 3 On 26 January Wiggins Teape announced rationalisation plans involving
  - a) the intended closure of its New Bury Mill with 200 redundancies
  - b) 380 redundancies at its Dartford Mill and a further 360 anticipated there next year
  - c) 70 redundancies at its Lincoln works.

Offsetting this it also announced a £9m investment programme for its mills at Aberdeen and Ivybridge, Devon.

Department of Industry  
27 January 1983





JE B 3/2

Handwritten initials and date: "Handwritten" and "31/11"

Handwritten name: "Frank WHITE, MP"

10 DOWNING STREET

From the Private Secretary

SM

28 January 1983

Handwritten note: "This should arrive today"

Handwritten note: "Checked - on the way 4/2"

Handwritten initials and date: "Wm 4/2"

The Prime Minister has received the attached letter from Mr. Frank White, MP. He asks the Prime Minister to receive a delegation from the All Party Paper Group to discuss the closure of Wiggins Teape Dartford and New Bury mills. As you know, the Prime Minister has said that she is willing to see individual MPs about closures in their constituencies, but feels that it is more sensible for delegations to see the responsible Minister.

I would be grateful if you could provide a draft reply for the Prime Minister to send to Mr. White, to reach me by Thursday 3 February, if at all possible.

Large handwritten signature or initials: "WOL"

Ms Caroline Varley,  
Department of Industry.

Handwritten mark: "5"



hew

10 DOWNING STREET

*From the Private Secretary*

28 January 1983

I am writing on behalf of the Prime Minister to thank you for your letter of 27 January with which you enclosed a copy of a letter from the Wiggins Teape Company.

I shall of course place this before the Prime Minister and a reply will be sent to you as soon as possible.

wk

Frank R. White, Esq., J.P., M.P.

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10 DOWNING STREET

PRIME MINISTER

Frank White asks if you will receive a delegation from the All Party Paper Group to discuss the closure of Wiggins Teape New Bury and Dartford mills. I have asked the Department of Industry to provide a draft reply. I have told ~~him~~ that you feel it is more sensible for delegations to be received by the responsible Minister.

A handwritten signature in black ink, appearing to be 'M' or 'W' with a flourish.

Handwritten initials in blue ink, appearing to be 'LM'.

28 January 1983



From: Frank R White JP MP



HOUSE OF COMMONS  
LONDON SW1A 0AA

Ref FM/1/83

27 January 1983

The Rt Hon Mrs M Thatcher MP  
The Prime Minister  
Downing Street  
LONDON

Dear Prime Minister

I enclose a copy of a letter I have received from the Wiggins Teape Company which is self explanatory.

The closure involves approximately 1000 jobs lost and coming as it does behind other recent closures, presents a very disturbing picture and bleak future for the Industry.

As Chairman of the All Party Paper Group, I request that you receive a delegation, comprising of both sides of the Industry and of political parties in the House, in order that we may bring our fears to your personal attention.

Thankyou for your consideration of this request and I would be obliged if your Office would confirm a date with our Group Secretary, Harvey Proctor MP.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'F R White'.

Frank R White JP MP

Enc



# Wiggins Teape (UK) PLC

P.O. Box 88 Gateway House,  
Basingstoke, Hampshire RG21 2EE

Telephone Basingstoke (0256) 20262.  
Telex 858031 WT BSTK G.



WDH/AJH

25th January 1983

Mr. Frank White, MP, JP,  
House of Commons,  
London.  
SW1

Dear Frank,

With great regret I write to tell you that we have decided to close New Bury mill and will be announcing this on 26th January 1983.

Wiggins Teape are withdrawing from the manufacture of packaging papers by closing the Greaseproof mill at Dartford and the mill in New Bury. The Company has been making very heavy losses in this sector of its business and cannot see any way to retrieve the situation.

Production for our Writing Paper division is to be concentrated into our five fine paper mills with a £9 m investment to improve the mills at Aberdeen, Plymouth and Dover. The achievement of this plan will mean three old machines at Dartford will be closed over the next 18 months.

In your position as chairman of The all party parliamentary group I know you will be as disappointed as we are that no way can be found to keep the New Bury mill open in your own constituency, and will be concerned at the further reduction in the manufacturing capacity of our industry.

On behalf of Wiggins Teape and myself I would like to thank you for your efforts on our behalf in recent years. Please treat the information in this letter as confidential until 11.30 a.m. on 26th January 1983.

With kind regards.

Yours sincerely,

W.D. Hoath  
Chairman

