



DEPARTMENT OF INDUSTRY  
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*From the  
Parliamentary Under Secretary of State*

Miss C M Stephens  
10 Downing Street  
LONDON SW1

9 February 1983

*T J Cassidy*

As requested I enclose some briefing for the Prime Minister's meeting with Mr R Dunn MP on Thursday 10 February 1983 at 3.45pm about the Wiggins Teape paper machine closures at Dartford.

Mr John MacGregor will be the Minister attending from this Department.

T J CASSIDY  
Private Secretary

Encs.



PRIME MINISTER'S MEETING WITH MR BOB DUNN MP  
ON THURSDAY 10 FEBRUARY

BRIEF ON WIGGINS TEAPE AND THE PAPER INDUSTRY

Line To Take

- 1 Appreciate the concern over the proposed paper machine closures at Dartford.
- 2 This is a commercial decision by Wiggins Teape in the light of market conditions it faces. The company will be discussing it with the Dartford unions at a meeting next week.
- 3 The company continues to invest in paper sectors having good prospects for growth. This includes carbonless copy paper made on the remaining paper machine at Dartford. The company has told the Department of Industry of its intention to continue with this and the distribution centre at Dartford.
- 4 Appreciate there are some apprehensions in the paper industry after several recent mill closures. The All Party Paper Group has suggested a Government meeting with an industry delegation. The Secretary of State for Industry will be pleased to hold this.

Background

- 1 Wiggins Teape (UK), a BAT subsidiary, is one of the leading UK paper companies with a turnover of £180m and around 5,000 employees. It mainly makes printing and writing and other high value papers. It has 9 paper mills in the UK including one at Dartford, Kent where there is also a distribution centre.



2 On 26 January 1983 the company announced a rationalisation programme involving 1,010 redundancies over the next two years at three of its sites. This involved

- a) the closure of its Bury mill with 200 redundancies
- b) 70 redundancies at its Lincoln works
- c) -the closure of two greaseproof<sup>paper</sup> machines at Dartford within 3 months with 250 redundancies  
-the closure of one fine paper machine at Dartford within 3 months with 130 redundancies and another next year with another 360 redundancies.

At the same time the company also announced a further investment programme of £9m but this will be at the company's paper mills in Aberdeen, Dover and Devon. This follows investment of over £80m over the past 5 years, including £36m to increase the company's carbonless copy paper making capacity. But only a little of this major investment programme has been at Dartford.

3 The closure of the two greaseproof paper machines follows losses largely due to the declining market for packaging papers with the growth of plastics packaging. The fine paper machine closures stem from the country-wide Wiggins Teape rationalisation programme. The company has confirmed it will continue to operate the remaining paper machine at Dartford which makes carbonless copy base paper. Over £8m investment has been spent on this machine in recent years. The distribution centre at Dartford is also secure and so the remaining jobs (understood to be around 200/250) should be safe. The company's Board, including its Chairman, Mr Bill Hoath, are to meet with the Dartford unions about the closures on Monday 14 February.

4 Mr Robert Dunn MP is a member of the All Party Parliamentary Paper Group (APPG). As well as the Wiggins Teape mill there are other paper mills in his constituency. In connection with the Wiggins Teape and other recent paper mill closures, see Annex A attached, the APPG has written to the Prime Minister asking to bring an industry delegation to see her to discuss them. This Department's advice to No 10 has been that a meeting with the Secretary of State for Industry would be appropriate.

CTP3  
Department of Industry  
8 February 1983

Closures and redundancies announced so far in 1983 are :-

- (a) Trinity Paper Mills announced on 10 January the intended closure of its Springfield Mill, Bolton with 100 redundancies.
- (b) Thames Board announced on 20 January the intended closure of its waste-based Warrington board mill with 789 redundancies.
- (c) Wiggins Teape announced on 26 January rationalisation plans involving the closure of its New Bury Mill with 200 redundancies; 740 redundancies at its Dartford Mill in 1983 and 1984, and 70 redundancies at its Lincoln works. Packaging and fine papers are the grades involved.
- (d) The Jefferson-Smurfit Group announced on 2 February 1983 the closure of 2 fine paper machines at the Alders Paper Mill at Tamworth with the loss of 180 jobs.

NOTE ON DARTFORD  
FOR THE PRIME MINISTER'S MEETING WITH MR BOB DUNN MP  
CONCERNING THE CLOSURE OF WIGGINS TEAPE IN DARTFORD

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#### INTRODUCTION

Dartford in North West Kent is situated 13 miles to the South East of London. The population of the Borough Council Area is 78,000 (1981 Census).

#### EMPLOYMENT

Nearly 30% of the area's 36,000 employees are in manufacturing. The most important manufacturing sectors are chemicals, mechanical engineering and paper, printing and publishing. The largest manufacturing companies are The Wellcome Foundation, manufacturing and research chemists (2,750), Wiggins Teape (900 before the forthcoming redundancies), and Roneo Vickers (700).

#### UNEMPLOYMENT AND VACANCIES

There were 4,152 unemployed claimants in Dartford in January 1983. Dartford is part of the Greater London travel-to-work area which had an unemployment rate of 9.6 per cent in January 1983 (UK rate 13.8 per cent).

#### VACANCIES

There were 147 notified vacancies in Dartford in January compared to 102 in January 1982. Vacancies are, however, under-notified.

#### REDUNDANCIES

Apart from those recently announced by Wiggins Teape, there have not been any major redundancies in the area in the past year.

#### CLOSURE OF CHATHAM DOCKYARD

There is much concern in Kent at the decision to close Chatham Royal Naval Dockyard, fifteen miles from Dartford, because of insufficient work, following the 1981 Defence Review. The recent post-Falklands White Paper has confirmed the closure decision. The rundown, which is gradual, will be completed by March 1984 and will involve about 7,200 jobs (5,000 industrial and 2,200 non-industrial). Most of the non-industrial workforce will be offered jobs elsewhere. The unemployment rate in the Medway Towns in January 1983 was 16.4 per cent compared to 10.5 per cent for the South East and 13.8 per cent for the UK.

#### ENTERPRISE ZONE

The Department of the Environment has announced that enterprise zones will be established in the North Kent area. Two sites in

/Gravesham

Gravesham, two in Rochester-upon-Medway and one in Gillingham borough council areas have been selected, although the boundaries have not yet been finalised. The zones are likely to take effect from the Summer of 1983 after the local authorities have held statutory public consultations.

#### FINANCIAL ASSISTANCE TO INDUSTRY

Since May 1979 there have been two offers of assistance amounting to £127,000 under the government's Support for Innovation Scheme and ten offers totalling £541,000 under Section 8 of the Industrial Development Act to companies in the Dartford area.

#### INDUSTRIAL DEVELOPMENT

Blue Circle Industries is involved in an initiative to develop a roll-on/roll-off facility on Stone Marshes near the Dartford Tunnel. The site is at present undergoing preparatory work, but could provide up to 3,000 jobs in the next ten years when completed.

Department of Industry  
South East Regional Office

8 February 1983

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10 DOWNING STREET

*From the Private Secretary*

4 February 1983

Further to your letter to Ian Gow, I wonder whether Thursday 10 February at 1545 would be convenient for you to see the Prime Minister. The meeting would take place in her room at the House. I have arranged for Mr. Kenneth Baker to be present.

HBF

Would you be kind enough to ring me on 930 4433 on Monday to confirm this time?

CAROLINE STEPHENS

Bob Dunn, Esq., M.P.

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Caroline

2nd February 1983

Many thanks for your letter of 1st  
February.

Of course you may come to see the  
Prime Minister about the prospective  
closure of the Wiggins Teape Paper  
Mill in your constituency.

Caroline Stephens will be in touch  
with you about a date.

IAN GOW

Bob Dunn Esq MP

~~John Hoeyega~~  
Kenneth  
Baker.



Tuesday  
1.2.83

Dear Ian.

I would be grateful if I could see the Prime Minister with respect to the closure of Wiggins Teape Paper Mill in Darford with a loss of 750 jobs

I intend only to be brief and regard any conversations with the Prime Minister, for local consumption

I look forward to hearing from you I am in Committee on Tues - Thursdays.

Yours  
Bob

(DUNN)