



10 DOWNING STREET

From the Private Secretary

10 February 1983

Thank you for your letter to Caroline Stephens of 9 February and for the brief for the Prime Minister's meeting with Mr. Bob Dunn, M.P. about the Wiggins Teape closures in Dartford. This meeting took place at 1545 this afternoon. Your Minister was present.

Mr. Dunn said that he accepted the Company's decision to close some of its paper machines at Dartford. There was no future in greaseproof paper making. The future lay in specialised papers such as the carbonless copy base paper that would continue to be made at Dartford. The unions would be making proposals to the management in an attempt to avert the 380 redundancies due in the next three months, and it would help if he could say he had seen the Prime Minister. In his view, the management were to blame for not innovating and diversifying the work of the mill. They seemed to be proud of the fact that some of their machinery was installed in the 1920s, and was still working. As it was, the company had too many mills chasing too small a market. The factory should be knocked down and sold off in bits as sites for small workshops. The area had only 9% unemployment and could absorb the redundancies. The need was to generate new jobs, not to save old ones. The local authority had just voted to reduce rates by 4% in the coming year, the roads and other transport links between Dartford and the rest of the country were extremely good, and it was an attractive area for new business. He was helping to set up a local committee called 'operation revival', with representatives from local firms, the chamber of commerce, local government and others. His aim was to attract new industry. He was encouraged by the initiative taken by Blue Circle Industries to develop a roll-on/roll-off facility at Stone Marshes near the Dartford Tunnel. The site could provide up to 3,000 jobs in the next ten years.

In discussion, your Minister said that Mr. Dunn's 'operation revival' committee sounded very similar to the 'enterprise agency' concept. There were now almost 100 enterprise agencies throughout the country, involving local firms, local government, and chambers of commerce. One of their prime tasks was to second managers from large firms and banks into particular areas to help small firms. His Department would be able to give Mr. Dunn useful advice, drawing on their knowledge of enterprise agencies. It might be helpful to involve Blue Circle and BAT in 'operation revival'.

/It might also

It might also be useful to detail some advisers from the department's Small Firms Advisory Service to give advice to those being made redundant by Wiggins Teape. Some of those made redundant would be receiving redundancy payments of £20,000-£25,000, and the Small Firms Service would be able to give them useful advice on whether to invest this money or to start up a small business.

Mr. Dunn said he would welcome any help that your Minister could give him. He also said that he understood that the Secretary of State for Industry would be visiting Rochester on 18 February and he suggested that it would help him considerably if Mr. Jenkin could visit Dartford the same day.

B/F ✓ I do not think there is any need for the Prime Minister to write to Mr. Dunn to follow up this meeting, but I should be grateful if you could let us have copies of any correspondence between your Minister and Mr. Dunn. Your Minister may wish to write to him following up the meeting and setting out in more detail the sort of help that might be made available to him.

WR

T.J. Cassidy, Esq.,
Department of Industry.

Prime Minister



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From the
Parliamentary Under Secretary of State

Bob Dunn Esq MP
House of Commons
LONDON SW1A 0AA

25 February 1983

cc Mr GERRY
Mr HILTON
Mr BRADSHAW SEND
PS/PM

Dear Bob,

in the House!
WR

Following our meeting at 10 Downing Street on 10 February, I asked my officials to contact Mr Reynolds of BAT Industries and offer what assistance they were able in meeting the needs of redundant workers at Wiggins Teape.

I am impressed by the report I have received of what BAT already have in mind, and if they choose to call upon the Department for advisory help it will be supplied very readily. We have offered - as I promised - to put the resources of the Small Firms Service at their disposal, although since they are pressing ahead with their own arrangements this does not appear to be necessary at the moment.

I have also asked my officials to make contact with Blue Circle.

Yours ever,
JH

JOHN MACGREGOR



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enclosed as requested

With the Compliments of
The Private Secretary to
the Parliamentary Under
Secretary of State

*- in reply to WR's letter
of 10.2.83*