



10 DOWNING STREET

THE PRIME MINISTER

23 March 1981

*Mr. Goldrein,*

Thank you for your letters of 12 and 20 February. I am sorry not to have replied earlier.

I have seen a full account of the meeting you had with Peter Walker on 16 February at which he explained the Government's position on Tate and Lyle. Since then, I have personally given a great deal of time to the Tate and Lyle closure issue; and I have - I am afraid - had to conclude that, unless the company are prepared to incur the heavy losses involved in the continued operation of the refinery, closure is inevitable.

We are, however, extremely concerned about the effect of this and other closures on Merseyside - including that of the Courtaulds factory which you mentioned in your second letter. We are therefore determined to press ahead as fast as possible with the various initiatives for improving the prospects for the area. In particular, rapid progress is now being made on the establishment of the Urban Development Corporation and of the Enterprise Zone.

Finally, I am afraid I cannot agree to the meeting which you propose. I am being kept fully informed of the situation on Merseyside by Michael Heseltine, Keith Joseph, Jim Prior, and - in the case of Tate and Lyle - Peter Walker; and if I see you, it would - I fear - be very difficult not to agree to see all the others who have asked to come in.

*I am sure that our M.P.s in the area are keeping closely in touch with you. I had a very long*

County Councillor Neville C. Goldrein.

talk with them. Clearly we have to help  
Liverpool through their acutely difficult time.

I personally had a long talk with  
Lord Jellicoe but I see no hope of  
keeping Telford's factory open. Closure  
comes as a blow to me - especially when  
the company has such a wonderful workforce

Yours sincerely  
Margaret Jellicoe

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