



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

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CONFIDENTIAL AND
MANAGEMENT - IN CONFIDENCE

The Rt Hon Francis Pym MC MP
Secretary of State for Defence
Ministry of Defence
Whitehall
LONDON
SW1A 2HB

27 June 1980

Dear Secretary of State,

(Submitted in an earlier box)

ROF BISHOPTON: INDUSTRIAL ACTION

I refer to your minute of 23 June and your Private Secretary's letter of the following day.

I have heard of this dispute through my Department, but there has been a surprising lack of publicity in Scotland about it. I am sure that it would help to bring pressure to bear on the employees at Bishopton if there were a wider public realisation of what is at issue; and you might therefore want to give thoughts to means of publicising the issues. Alex Fletcher and I would be very ready to help in this if you wish.

I recognise the arguments against the first three courses set out in your minute. In Scottish terms the fourth course - the closure of the factory - would be a very serious step. Unemployment in the Paisley travel-to-work area, which includes Bishopton, is now running at 10.5% (10.6% for males) and in nearby Glasgow, from which many of the Bishopton workforce no doubt travel, the rate is 11.4% (13.6% for males). Nevertheless if, having threatened to close down the plant until you have guarantees of proper working and having given public opinion an opportunity to operate on the workforce, you are still faced with an unchanged situation, I see no alternative to what you propose, provided you are satisfied that there are no legal obstacles.

A threat of permanent closure would be quite a different matter. Bishopton employs 2,500 people; and is adjacent to Linwood, where Talbot recently announced substantial redundancies. Rumours that

the Government were contemplating permanent closure would divert pressure from the unions to me (and to you). I hope I am right in inferring from your minute that you have no intention of using the threat of permanent closure as part of your argument for whichever of four courses set out in your letter you decide to follow. While I do not dispute your statement that Bishopton has a poor labour record, I would strongly resist the closure of the factory and the transfer of its operations. We do have factories in the west of Scotland whose performance equals the best in the country. I suspect that one reason for such differences in performance may lie in the quality of management; and I am sure this is an aspect of the problem at the ROF to which you will be giving your attention.

I am sending copies of this letter to those who received yours.

Yours sincerely,

John. White

Approved by Secretary of State
and signed in his absence