



HOUSE OF COMMONS
LONDON SW1A 0AA

9 February 1981

The Rt Hon Margaret Thatcher MP
Prime Minister
First Lord of The Treasury
10 Downing Street
LONDON SW1

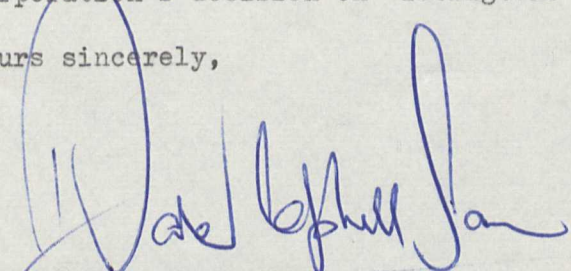
Dear Mrs Thatcher,

I am enclosing a copy of a Report that has been produced by a Joint Representative Committee of the Distington Foundry in Workington. This Report entitled 'Ingot Mould Foundry Rationalisation', challenges a Report produced in September last year by Forges, Foundries and Engineering Managers, a Report which I commented upon in my intervention during the Steel debate on Tuesday 16 December 1980.

I am forwarding this document to you with the hope that your Officials will examine it and put it to the Department of Industry that they should use powers open to them under Section V sub-section III of the Iron and Steel Act 1975, which enables the Minister to seek information from the Corporation with respect to their returns, accounts, and activities generally. It is my view that if such information was called for by the Secretary of State for Industry and the Department was willing to intervene in areas of detail in the Corporate Plan and question Corporation Managers, that the decision that has been taken to close Distington Foundry would be seen to need further consideration. West Cumbria feels that with the closure of its newly reequipped Foundry at a cost of £10.5 million, the closure is based on arguments that cannot be sustained if subjected to detailed commercial examination.

It has been suggested that in response to Political demands by the Government the Corporation modified its closure programme in order to protect certain areas. An examination of the accompanying document will show that it cannot have been commercial criteria which determined the British Steel Corporation's decision on Distington.

Yours sincerely,


DALE CAMPBELL-SAVOURS MP