



*cc Mr Loughran  
Mr Hosley*

*Ind Pd ✓  
GSM*

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

*From this is to  
I don't think anything can  
be done to prevent this  
closure. Mr Younger's statement  
8 November 1979  
seems alright.*

Tim Lankester Esq  
Private Secretary  
No 10 Downing Street  
LONDON SW1

*Dear Tim,*

I am writing to let you know that Massey-Ferguson (UK) will be announcing tomorrow the closure, with effect from February 1980, of their Kilmarnock factory with a loss of about 1,500 jobs.

My Secretary of State was informed of this yesterday afternoon when the Managing Director of the company called on him.

The decision is not entirely unexpected. We had already known earlier in the year of the company's intention to stop production of combine harvesters at Kilmarnock but it had been hoped that this would be replaced by the production of balers now undertaken in France. This will not now happen.

Along with the announcement of closure the company will also describe steps they are taking to find alternative work for their employees: they have consultants engaged in a "work search programme" for the skills and facilities that are available at Kilmarnock, and are assured of the workforce's co-operation in this exercise.

The co-operation and constructive attitude of the workforce was confirmed at a meeting which my Secretary of State had with Trade Union representatives earlier in the week.

I warn you of this because it is itself an important and unhappy development, but also because, as you will be aware, it comes in the wake of a number of other announcements of major closures and redundancies in west central Scotland.

I attach a copy of the statement that my Secretary of State is proposing to issue following the announcement.

I am copying this to Ian Ellison (Dept of Industry) and to Ian Fair (Dept of Employment).

*Yours sincerely,  
Godfrey Robson*

GODFREY ROBSON  
Private Secretary



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MASSEY-FERGUSON

Following the announcement today by Massey-Ferguson that it intends to cease production at its Kilmarnock factory with effect from February 15, 1980, Mr George Younger MP, Secretary of State for Scotland said:

"I have had a meeting with Mr Hebden, Managing Director of Massey-Ferguson UK, this week and I represented most strongly to him my own concern together with the views and points the unions put to me on Tuesday, and re-emphasised the quality and ability of the workforce and their splendid co-operation since Massey-Ferguson first indicated the possibility of redundancies.

"Mr Hebden accepted all these points but said market conditions had become even more depressed in recent months, particularly so for medium-sized machines and balers and saw no possibility of the company being able to continue and remain viable. It is a grievous blow and means the end of combine harvester production in Britain.

"My Department is working to see if new companies can be attracted to Kilmarnock. I am aware that the company and the workforce are combining to see if new work can be obtained for the plant and the Government will do all it can to back any new viable enterprise which emerges from these efforts. I have asked Mr Fletcher, the Scottish Economic Planning Department and the SDA to keep closely in touch with developments."



8 NOV 1978

