



10 DOWNING STREET

19 July, 1985

From the Private Secretary

Dear David

The Prime Minister today met Sean Hughes, MP, at his request. Mr. John Butcher was also present.

Mr. Hughes said he was deeply concerned about unemployment in his constituency in Knowsley, and in particular about the closure of the Plessey factory at Huyton, where over 700 jobs would be lost. Knowsley Borough Council could no longer be expected to cope with the difficulties created as a result of unemployment in the area. The Council had always behaved responsibly, but it needed some support if it was to tackle this problem.

The Prime Minister said she fully understood the distress and disappointment caused by the Plessey closure. It was a bitter blow to local people. She knew that Plessey's were fully committed to continuing production in areas like Knowsley, but the fact was that there was no longer a demand for the older technology products that Huyton manufactured. Technological progress meant fewer employees were needed in manufacturing; the need was therefore to encourage the search for new products and new business start-ups. Trade unions too had often contributed to the difficulty by helping those in work at the expense of those out of work.

The Prime Minister noted the help already available to Liverpool through the Government's employment and training measures, and through other programmes such as urban aid. The Community Programme was being expanded, and the YTS extended to two years. The Enterprise Allowance Scheme, which encouraged new business start-ups, was proving successful. It was important that Knowsley made maximum use of the resources which the Government were already making available in this way through the DTI, DOE and MSC. Mr. Butcher would accordingly write to Mr. Hughes, setting out what was being done in the Knowsley area under these programmes, and to take forward arrangements for a meeting between Mr. Hughes, Knowsley Borough Council, and the appropriate departments. Mr. Butcher also would discuss with Plessey's the possibility of linking the Government's support available through the Enterprise Allowance Scheme with the efforts the company were already making to help their employees at Huyton set up their own businesses.

I am sending a copy of this letter to John Ballard
(Department of the Environment) and David Normington
(Department of Employment).

Y Truly
Mark Addison

(Mark Addison)

David Halldearn, Esq.,
Department of Trade and Industry.



Minister of State

Tim Flesher Esq
Private Secretary
10 Downing Street
London SW1

Department of Employment
Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213..... 5949
Switchboard 01-213 3000

18 July 1985

Dear Tim.

I enclose a briefing note for the Prime Minister's meeting with Sean Hughes MP, as you requested.

Please get in touch if you require any further information and we will get it to you straight away. For convenience I attach a copy of the latest report from Bob Garner on the Merseyside youngsters.

*Yours sincerely,
Stuart Lane*

STUART LANE
Private Secretary

BACKGROUND EMPLOYMENT NOTE: LIVERPOOL TRAVEL TO WORK AREA (TTWA)

AREA

1 Liverpool has been a Development Area since November 1984. Prior to this it was a Special Development Area. The long term decline of the Port of Liverpool and port-related services has been a prime cause of persistently high unemployment. Liverpool has a narrow manufacturing base and over-dependence on large multinational firms controlled from outside the area.

LOCAL EMPLOYMENT

2 The service sector is now the major employer in the area with public administration and defence, retail distribution, and insurance, banking and business services predominating. The principal manufacturing industries in the area are food, drink and tobacco, vehicles, and electrical engineering. Major manufacturing employers include Ford Motor Co, Plessey Telecommunications, Associated Biscuits and General Motors - A C Delco.

UNEMPLOYMENT IN THE LIVERPOOL TTWA

3	Date	Total number	Unemployment percentage rates		
	June	103,485	TTWA	Region	UK
	1985		20.5	15.9	13.1
	June	100,867			
	1984		20	15.3	12.5

UNFILLED VACANCIES

4	June 1985	June 1984
	2,746	3,576

PLACINGS

5	Total cumulative figure for the period April 1985 to June 1985	Percentage decrease over the same period in the previous year
	10,728	-2%

REDUNDANCIES

6 Major recent and forthcoming redundancies include:

Firm	Location	Numbers	Dates	Comments
Plessey Telecommunications Ltd	Huyton	832	July '85-Oct '85	
British Insulated				
Callender Cables (telecommunications)	Prescot	435	July '85	
John Moores (mail order)	Crosby	300	April-Dec '85	
Metal Box	Aintree	210	Not known	

SPECIAL EMPLOYMENT AND TRAINING MEASURES

7	Special Employment Measures	Area	No. of people benefiting
	Community Programme	Merseyside Inner CP Area which covers the Liverpool TTWA	2976
	Enterprise Allowance Scheme	Merseyside Inner and outer Area which covers the Liverpool TTWA	1913
	Community Industry	Liverpool Area	752
	Job Release Scheme	Liverpool TTWA	646
	Young Workers Scheme		2142
	Job Splitting Scheme		24

YOUTH TRAINING SCHEME MERSEYSIDE INNER TD AREA

Mode	Current Year Approved Places at 31 May 1985	Numbers in Training at 31 May 1985	Entrants at 31 May 1985	Number of Entrants at same date last year
A	2584	3002	338	278
B1	2471	1867	673	773
B2	484	454	64	63
Total	5539	5323	1075	1114

YOUTH TRAINING SCHEME

8 The proposed two year YTS Scheme has been generally well received.

9 The follow-up post-YTS survey for the Merseyside Inner TD area between July 1984 and September 1984 indicated that 40% of trainees had found work, 6% were on full time courses at colleges or training centres, 10% were on other YTS schemes, and 40% remained unemployed.

10 There are 4 Information Technology Centres operating in Liverpool providing a total of 176 places.

ADULT TRAINING

11 There are 2 skillcentres in Liverpool (Liverpool Skillcentre and Merseyside Advisory Training Unit (MATU)). During May 1985, 336.8 training places were made available all of which were purchased by MSC and employers. Liverpool Skillcentre is due to close. Satisfactory alternative provision has been identified within reasonable daily travelling distance, mainly at Liverpool's other skillcentre, MATU.

12 Merseyside Inner TD Area Office plans to help 6,551 adults through its locally delivered programmes in 1985/6 compared to 2,788 in 1984/5 (an increase of 135%).

COMMUNITY PROGRAMME

13 Merseyside Inner ED Area Office (covering central Liverpool) report that the programme has been generally well received in the area, enabling the profile to be achieved.

14 Merseyside Outer Area Office (covering outlying districts of Liverpool) report that the programme has been generally well received.

GOOD NEWS

15 Good news items include:

- the Arrowcroft Group in partnership with the Merseyside Development Corporation are building a residential, commercial and leisure complex on the site of the disused Albert Docks in Liverpool. The £70 million scheme is expected to create more than 2000 jobs over five years.
- Liverpool's Festival Gardens, the successor to the International Garden Festival will provide up to 350 people with temporary jobs between May and September.

DEPARTMENT OF TRADE AND INDUSTRY ASSISTANCE SINCE MAY 1979

16	S7 of the Industrial Development Act 1982 since May 1979 (1)	S8 of the Industrial Development Act 1982 since May 1979 (2)	Regional Development Grant I since May 1979 (grant's over £25,000)
Value £m	35.7	2.16	113.2
Estimated number of jobs created	5010		
Estimated number of jobs safeguarded	16836		

- (1) Regional Selective Assistance available to manufacturing and service industries to create or safeguard employment in Assisted Areas.
- (2) National Selective Assistance to manufacturing industries and major projects involving new investment of at least £ $\frac{1}{2}$ million.

DEPARTMENT OF ENVIROMENT ASSISTANCE

17 Liverpool is an Inner City Partnership with an allocation of £24.1 million in 1985/86. Knowsley is a Programme Authority with an allocation of £3.7 million in 1985/86, and Sefton is a Designated District with an allocation of £500,000 in 1985/86. There is an Enterprise Zone at Speke.

LOCAL ISSUES

CLOSURE OF PLESSEY TELECOMMUNICATIONS PLANT, HUYTON, LIVERPOOL

18 On 5 July Plessey Telecommunications announced the closure of their plant in Huyton, Liverpool. 832 employees will be made redundant but about 112 of these will be transferred to other plants. The reasons for the redundancies are reported to be reduced demand, completion of contract for a particular type of telephone exchange, transfer of activities to another establishment, and a general overcapacity in the industry.

HEXAGON YTS SCHEME, LIVERPOOL

19 The local Area Manpower Board has recently refused to renew the contract for Hexagon YTS scheme, Mode B1 Community project (120 training places, 24 adult staff).

20 This followed complaints of alleged race and sex discrimination on the scheme which will close on 31 August.

Line to take

21 If this is raised the Prime Minister might say that after full consideration of all the issues, the Area Manpower Board decided not to renew the scheme after August 1985. Most of the youngsters taking part in the Hexagon Scheme have either completed their training or have been found alternative places. The Manpower Services Commission are confident that, despite the closure, sufficient places will be available to meet the demand in 1985/86.

YOUTH UNEMPLOYMENT IN MERSEYSIDE

22 A recent report in the Liverpool Echo (7 June) stated that almost 32,000

Merseyside youngsters would be chasing just 112 careers office jobs this summer, that Knowsley careers office had just 3 jobs available; and that up to 3900 youngsters would be looking for work in August.

Line to take

- 23
- the figures quoted are numbers of unfilled vacancies at 3 May 1985 and take no account of vacancies which will arise for youngsters in the summer, those at jobcentres, private agencies, advertisements, or those jobs filled by young people making direct contact with employers;
 - ample YTS places are available for youngsters on Merseyside who cannot find jobs, and participation in the scheme will improve their employment prospects substantially;
 - indications are that around 40% of youngsters leaving YTS schemes in the area covered by MSC's Merseyside Inner Area Office go into jobs with the corresponding figure for the Merseyside Outer Area Office being 44%.

'MERSEYSIDE 25'

24 On 25 March 1985 Mr Robert Kilroy-Silk (MP for Knowsley North) led a deputation of 25 unemployed people to visit the Prime Minister to discuss employment prospects in Merseyside. The progress of the 25 continues to attract media attention.

Since the meeting at No 10 the Area Employment Manager has followed the progress of the '25'.

7

Line to take

- 2.5 - what happened at the meeting has been widely misrepresented. The Prime Minister and others present wanted to offer the youngsters guidance in finding a job and in particular to ensure that they made use of the facilities and programmes available;
- it is important that individuals looking for a job adopt a flexible and realistic attitude to their search. Some people who came to No 10 have unrealistic expectations of what they can expect to be paid - at least initially - and rather restrictive requirements about where they are prepared to work, even within the Merseyside conurbation;
- many people are finding work. In the period April 1985 - June 1985, jobcentres in Liverpool alone placed over 10,000 people in employment and it is estimated that jobcentres only fill about one vacancy in every 4 that is filled;
- understand that of the '25', 5 have found permanent employment; 4 have found temporary employment; 3 have started temporary jobs under the Community Programme; 2 have started training at the Hotel Career Centre in Bournemouth and a further 2 have been accepted for the next course; 4 youngsters have had one day trials with a hotel group and may be offered posts; and others have been submitted for job vacancies.

BATLEYS LTD - PROPOSED DEVELOPMENT AT KNOWSLEY

26 The Labour MP for Knowsley South, Sean Hughes, has recently complained about the refusal of DTI to grant regional selective assistance with £300,000 to Batleys Ltd, a Huddersfield based firm who wanted to build a £3 million cash and carry warehouse in Knowsley creating 100 new jobs. The company is now reported to have shelved its plans to expand in Knowsley.

Line to take

27 If this is raised the Prime Minister might say that she understand the project does not fall within the scope of either Regional Selective Assistance or Regional Development Grants, but that the company have been informed that some discrete activities may qualify for Regional development Grants.

LIVERPOOL AIRPORT

28 Several Liverpool Labour MP's and Merseyside County Council have recently complained to the Secretary of State for Transport that Liverpool Airport will not share in assistance given by British Airways to independent airlines.

29 The 'Airline Competition Policy White Paper' published in October last year, set out the conditions under which BA agreed to give assistance to independent airlines. The offer is limited to a maximum of 15 routes and takes the form of financial support of up to £450,000 per route spread over 3 years to help meet the development costs of new services from the regions to Europe. As BA will also help with supporting services, the offer is confined to the six regional airports at which BA operates (Manchester, Birmingham, Newcastle, Glasgow, Edinburgh and Aberdeen). For practical reasons therefore, the offer cannot be extended to include Liverpool Airport.

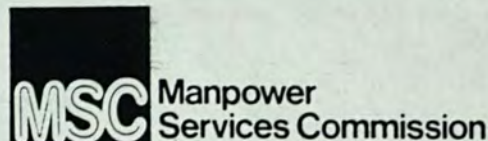
Line to take

30 If this is raised the Prime Minister might say that she recognises the concern of Merseyside County Council to encourage the use of Liverpool Airport. Whilst the terms of the BA offer cannot be extended to include Liverpool, the Government is committed to encouraging the maximum use of regional airports such as Liverpool.

Your ref:

Our ref:

Date: 2 July 1985



Employment Service Division

Area Managers Office
P.O. Box 76
15 La Grange Arcade
St. Helens
Merseyside
WA10 1BP

Tel St. Helens 54251/8

Mr P Morrison MP
Minister of State
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF



Dear Mr. Morrison,

MERSEYSIDE VISITORS TO DOWNING STREET

Since my last report (up to 9 May 1985) we are aware of a further three "positive outcomes".

1. Girl aged 20 placed with Kirkby employer working 14 hours per week (evenings) for a wage of £47.66.
2. Youth aged 20 placed with Butlins as a kitchen assistant for the summer season. Incidentally this is the same young man that we placed locally, who was dismissed after a months trial, leading to a lot of publicity.
3. Girl aged 20 has found work with a local newsagent. She was expected to start with the Hotel Career Centre in Bournemouth, but failed to do so, without notifying us that she had in fact found work.

It is now three months since the visit to Downing Street. Though we continue to monitor this group, the chances of any further success are extremely limited I feel, due to the attitudes and circumstances of the individuals concerned. I have listed some examples of the problem cases (See Appendix 1).

We are therefore no longer making special efforts for them, or specifically inviting them into the Jobcentre regularly. The ones remaining unemployed are not receptive to our advice at this stage, and the time involved will be more productive if used in other areas.

The Hotel Career Centre, who were good enough to offer six free places to this group have been disappointed, as you know. They have however, agreed to take three other Merseyside youngsters on the free places not taken up by this group. Jobcentre staff at Kirkby are arranging this now (with some care).

EXAMPLES OF PROBLEMS

1. Youth aged 25: Wants work involving music, and playing his guitar. Wage minimum £70 pw.
2. Youth aged 20: Poor appearance. Immobile (girl friend pregnant). Refuses CP work. Wage minimum £90 pw.
3. Youth aged 20: Wants "something interesting". Immobile (girl friend pregnant). Due in court "expects prison sentence".
4. Girl aged 26: Not worked for 5 years. Immobile (daughter aged 2). Typist who insists on Audio work. Mayoress of Knowsley 1985/86.
5. Youth aged 21: Wants work as an Actor or stagehand. (Cannot get into equity). Has written to the Prime Minister, and had a reply.
6. Youth aged 20: Insists on work as a trainee bricklayer.
7. Youth aged 20: Low achiever seeking "computer work".
8. Youth aged 23: Refuses CP work. Wants "welfare rights work" locally. Minimum wage £70.

All these registrants have been advised to modify their views, but have not accepted the advice.



BRIEF FOR THE PRIME MINISTER'S MEETING WITH SEAN HUGHES MP
FOR KNOWSLEY SOUTH

PLESSEY CLOSURE AT HUYTON

Line to take

1 The rundown and closure of Plessey's Huyton factory is a matter of regret to the Government but the decisions it has taken are a matter for the company's own commercial judgement.

2 Changes in technology and British Telecom's rapid modernisation programme means that there is no longer a demand for some of the older technology products. Consequently, for commercial reasons Plessey have decided to consolidate and rationalise its manufacturing operations in the North West.

[ONLY IF RAISED]

3 This is not a matter connected with BT's decision to second source digital exchanges. Wherever those exchanges are sourced, the same effects on the older technology products arise.

JB5BAD



Background

1 On 5 July 1985 Plessey announced a rationalisation of its North West manufacturing operations (Press Notice attached) which will result in the closure of its Huyton factory, which produced semi electronic telephone exchange equipment, call logging equipment for old analogue exchanges and payphones. The closure will mean the loss of 720 jobs.

2 Demand for the products which formed the bulk of the Huyton factory output is now exhausted. The company has little option but to cut back. The Huyton factory has been primarily concerned with the manufacture of TXE4A switching equipment, the stepping stone between the old electromechanical systems and digital System X exchanges. The company received their last order for TXE4A from BT in 1984 - all future demand on Plessey for public switching equipment will be for System X, the manufacture of which is now being concentrated at Plessey's Edge Lane factory on Merseyside. In spite of the large orders for System X, Plessey is left with too much production capacity due to the smaller space and lower labour requirements of digital exchange manufacture compared with the now outmoded TXE4A switches.

3 These further rationalisation measures and closures follow earlier examples when Plessey closed their South Shields factory in 1984 and shed 800 jobs at Edge Lane.

4 The Huyton factory was also intended to produce call logging equipment. In 1981, as part of its modernisation programme, BT planned to introduce call logging equipment on to all its old analogue exchanges and put four systems from IBM, GEC (2) and Plessey under evaluation. Unfortunately, all three companies took some 12 months more than had been anticipated over the products development and with BT's accelerated modernisation programme based on System X and also now System Y digital exchanges, the call logging requirement for analogue exchanges has been overtaken by events. No orders for this equipment are to be placed. All payphone manufacture is now being concentrated in Chorley, also in the North West.

5 Changes in technology are the root cause of Plessey's current reorganisation and consequent loss of jobs. It is inevitable if Plessey are to be competitive in the future.

BT's System Y purchases

6 In March BT announced that a contract for System Y digital exchanges had been placed with Thorn Ericsson Telecommunications. A high proportion of this order (100,000

JB5BAE



lines for delivery in 1986 and between 300,000 and 500,000 lines in 1987) will be manufactured in the UK following an initial build-up programme. This compares with orders for System X local exchanges of 1.6m lines already placed and expected to reach 5m lines by the end of 1987 plus 54 trunk exchanges.

7 However, following representations by an all party group of MPs, the Director General of OFTEL has been investigating a complaint about BT's decision to purchase the System Y exchanges. The Director General's report is now virtually complete and has been circulated in draft form to the interested parties, including Plessey. The report basically raises no objections to the BT decision. In any case, these Plessey closures have nothing to do with BT's System Y purchase. It is BT's current System X ordering programme that has led to the fall off in demand for the older exchanges made at Huyton.

Other matters

- ... 8 An Annex giving details of the unemployment situation in the Knowsley area is attached.
- ... 9 Also attached is a table giving details of Government grant made available on Merseyside since May 1979.

JB5BAE

At Huyton consultations have begun on potential redundancies and in this regard the Company will take all practicable steps to explore with employee representatives and the Department of Employment the opportunity of alternative employment for those who will be affected at Huyton.

These explorations will include the possibility of redeployment, together with the introduction of professional external placement agencies, in-house counsellors and any other measures that might reasonably contribute towards minimising the hardship and numbers of redundancies which will inevitably occur.

END

Issued by Charles Barker Lyons
30 Farringdon Street
London EC4A 4EA

For further information on Friday 5 July or Monday 8 July contact:

Liverpool	Roger Dence or Penny Roberts on 051-228 4830 Ext 3156
London	Hugh Merrill on 01-634 1052
	Paul Calderwood on 01-634 1048

At other times contact Roger Dence on 01-634 1036 or Penny Roberts on 01-634 1040.

Note to Editors

Plessey Telecommunications & Office Systems Limited (PTOSL) is the telecommunications systems business of The Plessey Company plc. In public telecommunications the company has engineering, manufacturing or installation operations at Ballynahinch, County Down; Beeston, Nottingham; Knowsley, Merseyside; Poole, Dorset; and Taplow, Berkshire, in addition to those at Edge Lane, Chorley and Huyton.

PTOSL has 12,500 employees in the United Kingdom of whom 5,600 work in the public telecommunications business. Plessey employs 4,750 people in the North West.

news from PLESSEY

Our Ref: 0690 E 3322

5 July 1985

PLESSEY TELECOMMUNICATIONS REORGANISES NORTH-WEST

MANUFACTURING OPERATIONS

In a reorganisation of its telecommunications manufacturing plants in the North-West, Plessey announces today plans to consolidate production of System X telephone exchange equipment and to form a specialist payphone business. These moves follow the cessation of work on TXE4 telephone exchange equipment, for which Plessey received its last orders in 1984, and additionally British Telecom's decision not to proceed with orders for the Company's new call-logging equipment.

Consequently, there is now a surplus of production capacity and resources, for which reason the company is planning to close its factory at Huyton, affecting some 700 jobs.

System X manufacture currently carried out both at Edge Lane, Liverpool and at Chorley, Lancashire, will now be concentrated at Edge Lane, where the Company has spent over £50m in the past five years redeveloping the site into one of Europe's most advanced telecommunications manufacturing and engineering centres.

Manufacturing operations of the new payphone company - Plessey Telecommunications Products Limited - will be based at Chorley, where volume production of payphones has been successfully established over the past three years.

All employees at Plessey Telecommunications sites in the North West have been informed today of the Company's new plan. Discussions have started with employees and their trades union representatives.

cont/...

PARLIAMENTARY CONSTITUENCY - KNOWSLEY SOUTH

SEAN HUGHES MP

LOCAL AUTHORITY COVERAGE - KNOWSLEY BOROUGH COUNCILUNEMPLOYMENT - June 1985

	%	<u>NUMBERS</u>
LIVERPOOL TTWA	20.5	103,485
KNOWSLEY SOUTH		10,321

The Liverpool TTWA figure shows a decrease of 1,501 and the constituency figure a decrease of 140 on the May figure.

LONG-TERM UNEMPLOYMENT - April 1985

	%	<u>NUMBERS</u>
KNOWSLEY SOUTH	52.7	5,490

VACANCIES - June 1985

Huyton Job Centre Area

	<u>NUMBERS</u>
EMPLOYMENT OFFICE	142
CAREERS OFFICE	2

CONFIRMED REDUNDANCIES

Occurred in TTWA to 31 May 1985	1,898
To occur in TTWA to 31 December 1985	958

GOVERNMENT GRANT MADE AVAILABLE ON MERSEYSIDE SINCE MAY 1979

£ MILLION CASH

	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85*
Department of Industry: Grants and Expenditure towards Industrial Investment †	n/a	72	100	126	102	78	79
Manpower Services Commission ‡	n/a	n/a	n/a	53	67	72	75
Housing Corporation //	38	36	41	44	55	52	51
Merseyside Development Corporation (established 1981-82)	-	-	-	6	21	32	30
Department of Transport: Grants, loans and guarantees to Mersey Docks and Harbour Company	-	-	-	26	71	39	8
New Town (Skelmersdale and Runcorn): Gross Capital Investment	19	19	18	15	12	17	17
Historic buildings and conservation grants: offers made	0	0	1	1	1	1	1
Sports Council grants #	0	0	0	0	1	1	1
Derelict Land Grant *	n/a	1	2	3	7	10	8
Urban Programme Grant	2	5	10	11	15	18	25

Notes to Table

Including rate support grant and other regular Exchequer assistance for local authority expenditure, and also finance for the NHS but not social security etc, the total sums made available by the central Government for Merseyside have exceeded £1,000 million in each of the last three years.

* Estimated outturn

† Grant (offers made) to support capital investment by companies in the Merseyside area, defined as the travel-to-work areas of Birkenhead (including Ellesmere Port and Halton), Liverpool, Widnes, St Helens and Southport; and expenditure by the English Industrial Estates Corporation in the Merseyside area.

≠ Figures include some grant-aided expenditure by local authorities.

// Figures relate to Corporation's Merseyside region. Figures for 1979-80 to 1981-82 are estimates.

About two-thirds of grants are on local authority projects.

* Figures cover Merseyside MCC area plus Districts of Ellesmere Port and Halton.



2 MARSHAM STREET

LONDON SW1P 3EB

01-212 3434

My ref:

Your ref:

18-7-85

Dear Tim

Attached is up-dated Knowsley
briefing for the P.M.'s meeting with
Sean Hughes, as requested.

Yours ever

Alan Davis

Tim Flesher

DEPARTMENT OF EMPLOYMENT
LINE TO TAKE AND BACKGROUND BRIEFING

The only way to achieve a substantial impact on unemployment in Knowsley as elsewhere is for the Government to maintain its economic policies while encouraging greater enterprise, flexibility and competitiveness in industry and the labour market. In the meantime, the area continues to benefit from special Government employment and training measures which are doing much to alleviate the worst effects of unemployment.

(a) Industry Act Assistance In the period from 1 April 1983 the Department of Trade and Industry has made 29 offers of selective assistance for projects involving £49M investment in the Knowsley area. The value of these offers amounts to £3.6M with over 3,000 associated jobs either created or safeguarded.

(b) Small Firms Assistance The Small Firms Service has a working relationship with the local Enterprise Agency in Knowsley and has offered to organise a Business Advice Night in conjunction with the Agency. Take up of the Enterprise Agency's services has been disappointing and its Board is looking at measures to increase public awareness of what it has to offer.

(c) Over £300,000 was set aside in Knowsley Borough Council 1984/85 Urban Programme for grants to assist private sector firms and new businesses. Over £200,000 of this has already been taken up and Knowsley's bid for 1985/86 has been increased to over £500,000.

(d) Addition, Knowsley has been invited to put forward private sector schemes under the Urban Development Grant Scheme. So far, three schemes have been taken forward including one for the provision of High Tech Units at Caddick Road, Knowsley Industrial Park with a cost of £308,000.

(e) Under the Community Programme there were as at the end of May, 2,931 approved places in the Merseyside Outer Area (which includes Knowsley, St Helens and the Wirral) of which 2,329 places were filled. 1,388 places had been authorised within Knowsley, of which 1,133 or 82% had been filled.

(f) As many places under the Youth Training Scheme as are necessary to meet the needs of young people in Knowsley are being made available. In 1984/85 there were 2,039 such places. For 1985/86, 1,897 places will be available reflecting the lower level of school leavers expected in that year.

(g) The Enterprise Allowance Scheme is designed to assist the establishment of new small businesses. Huyton Job Centre has reported an uptake of 119 places on the scheme since its inception in August 1983.

MERSEYSIDE TASK FORCE INITIATIVES

1. SPECIAL HOUSING INITIATIVES

MTF housing initiatives have been aimed at tackling some of the worst housing problems on Merseyside, wherever possible seeking to engage the private sector.

a. Stockbridge Village, Knowsley

A large council house estate, unpopular, badly managed and designed and deteriorating fast. At the initiative of the Secretary of State the estate was privatised. Stockbridge Village Trust was established to manage and upgrade the estate and attract private investment. A five year investment programme totalling £45M (cash) is underway for refurbishment and remodelling of existing dwellings; provision of new housing for rent and shared ownership; new shopping, leisure and health centre facilities; and new housing development for sale by Barratts.

b. Finch House Estate - Intensive Management

Following the initiative at Stockbridge Village, Knowsley MBC put forward proposals for utilising released manpower resources to mount a rescue effort on the nearby Finch House Estate.

An intensive management approach was adopted which aimed to provide improved delivery of services and to develop closer links with tenants. urban Programme funding totalling £173K over the period 1983/85 has supported the installation of a management office and team on the estate. Knowsley is now moving towards funding this initiative from within its own budgets.

2. DERELICT LAND GRANT

Derelict land grant approaching £900K will have been paid in 84/85 on a variety of projects aimed at improving employment opportunities and the environment in Knowsley, these include:

Stadt Moers Country Park

The reclamation of this 220 acre derelict site is seen as an integral part of the LA's overall development strategy; it represents one of the largest reclamation schemes ever undertaken. The transformation of a wasteland consisting of an old quarry and former tipped land in the heart of Knowsley, into a Country Park, has begun and is due for completion in 1989.

Knowsley Industrial Park

Various schemes are under way to restore industrial opportunities to this part of Knowsley.

BICC

Private sector derelict land grant has been made available directly to BICC to enable rationalisation plans to go ahead and help keep this company operational in Knowsley. Further grant has been agreed for the council in their efforts to prepare a derelict site for this Company's new fibre optics plant.

3. URBAN PROGRAMME

In 1984/85 Programme allocation was £3.7M on top of which over £2M was approved for mainly housing initiatives from the Merseyside Special Allocation. Knowsley's problems are not those classically associated with inner city areas but derive from its many outer housing estates scattered around the borough.

4. MTF TRAINING INITIATIVES

MTF has been closely associated with the development of 2 new training initiatives within the Borough of Knowsley.

1. The Knowsley Commercial Business Training Centre:

This is located in Huyton and has been operational since early 1982; it is sponsored by Birds Eye Walls, a subsidiary of Unilever, with support from the Local Borough Council. The Centre provides commercial training.

2. The Knowsley Information Technology Centre:

This is located on the Kirkby Industrial Estate (now called Knowsley Industrial Park) and has been operational since April 1983. It is sponsored by the local Borough Council, with Tandy Corporation UK as patron. The Centre provides information technology training.

16 JULY 1985

DUNLOP AXE

By Danny Buckland
ANOTHER nail has been hammered into Speke's industrial coffin with news of 135 jobs being axed at Dunlop's belting division.

Only 70 workers will be left from a 14,000-strong staff listed in the company's heyday 30 years ago.

The staggering decline has seen the rubber giant slash its workforce to combat the choking economic stranglehold of depression.

Stable

Financial losses forced the latest redundancies, said a company spokesman.

Dunlop, whose Walton footwear division's workforce has been reduced from about 2,500 in the 1950's to just 150, hopes its remaining workers will have a stable future producing a new PVC coated belt.



**Speke
hit by
a new**

jobs setback

ing for the National Coal Board.

The grim statistics reveal that Speke is averaging 1,300 jobs lost annually and the unemployment total at Garston Jobcentre, which includes the troubled South Liverpool district, stands at a depressing 9,217.

"It is a pretty grim picture, but we hope the future for the workers left will be stable," said a Dunlop spokesman, who added that a detailed study had shown that the plant could operate with fewer men if it produced a narrower range of products.

C.E.
16/07/85

DEPARTMENT OF EMPLOYMENT
LINE TO TAKE AND BACKGROUND BRIEFING

The only way to achieve a substantial impact on unemployment in Knowsley as elsewhere is for the Government to maintain its economic policies while encouraging greater enterprise, flexibility and competitiveness in industry and the labour market. In the meantime, the area continues to benefit from special Government employment and training measures which are doing much to alleviate the worst effects of unemployment.

(a) Industry Act Assistance In the period from 1 April 1983, the Department of Trade and Industry has made 29 offers of selective assistance for projects involving £49M investment in the Knowsley area. The value of these offers amounts to £3.6M with over 3,000 associated jobs either created or safeguarded.

(b) Small Firms Assistance The Small Firms Service has a working relationship with the local Enterprise Agency in Knowsley and has offered to organise a Business Advice Night in conjunction with the Agency. Take up of the Enterprise Agency's services has been disappointing and its Board is looking at measures to increase public awareness of what it has to offer.

(c) Over £300,000 was set aside in Knowsley Borough Council's 1984/85 Urban Programme for grants to assist private sector firms and new businesses. Over £200,000 of this has already been taken up and Knowsley's bid for 1985/86 has been increased to over £500,000.

(d) Addition, Knowsley has been invited to put forward private sector schemes under the Urban Development Grant Scheme. So far, three schemes have been taken forward including one for the provision of High Tech Units at Caddick Road, Knowsley Industrial Park with a cost of £308,000.

(e) Under the Community Programme there were as at the end of May, 2,931 approved places in the Merseyside Outer Area (which includes Knowsley, St Helens and the Wirral) of which 2,329 places were filled. 1,388 places had been authorised within Knowsley, of which 1,133 or 82% had been filled.

(f) As many places under the Youth Training Scheme as are necessary to meet the needs of young people in Knowsley are being made available. In 1984/85 there were 2,039 such places. For 1985/86, 1,897 places will be available reflecting the lower level of school leavers expected in that year.

(g) The Enterprise Allowance Scheme is designed to assist the establishment of new small businesses. Huyton Job Centre has reported an uptake of 119 places on the scheme since its inception in August 1983.

MERSEYSIDE TASK FORCE INITIATIVES

1. SPECIAL HOUSING INITIATIVES

MTF housing initiatives have been aimed at tackling some of the worst housing problems on Merseyside, wherever possible seeking to engage the private sector.

a. Stockbridge Village, Knowsley

A large council house estate, unpopular, badly managed and designed and deteriorating fast. At the initiative of the Secretary of State the estate was privatised. Stockbridge Village Trust was established to manage and upgrade the estate and attract private investment. A five year investment programme totalling £45M (cash) is underway for refurbishment and remodelling of existing dwellings; provision of new housing for rent and shared ownership; new shopping, leisure and health centre facilities; and new housing development for sale by Barratts.

b. Finch House Estate - Intensive Management

Following the initiative at Stockbridge Village, Knowsley MBC put forward proposals for utilising released manpower resources to mount a rescue effort on the nearby Finch House Estate.

An intensive management approach was adopted which aimed to provide improved delivery of services and to develop closer links with tenants. urban Programme funding totalling £173K over the period 1983/85 has supported the installation of a management office and team on the estate. Knowsley is now moving towards funding this initiative from within its own budgets.

2. DERELICT LAND GRANT

Derelict land grant approaching £900K will have been paid in 84/85 on a variety of projects aimed at improving employment opportunities and the environment in Knowsley, these include:

Stadt Moers Country Park

The reclamation of this 220 acre derelict site is seen as an integral part of the LA's overall development strategy; it represents one of the largest reclamation schemes ever undertaken. The transformation of a wasteland consisting of an old quarry and former tipped land in the heart of Knowsley, into a Country Park, has begun and is due for completion in 1989.

Knowsley Industrial Park

Various schemes are under way to restore industrial opportunities to this part of Knowsley.

BICC

Private sector derelict land grant has been made available directly to BICC to enable rationalisation plans to go ahead and help keep this company operational in Knowsley. Further grant has been agreed for the council in their efforts to prepare a derelict site for this Company's new fibre optics plant.

3. URBAN PROGRAMME

In 1984/85 Programme allocation was £3.7M on top of which over £2M was approved for mainly housing initiatives from the Merseyside Special Allocation. Knowsley's problems are not those classically associated with inner city areas but derive from its many outer housing estates scattered around the borough.

4. MTF TRAINING INITIATIVES

MTF has been closely associated with the development of 2 new training initiatives within the Borough of Knowsley.

1. The Knowsley Commercial Business Training Centre:

This is located in Huyton and has been operational since early 1982; it is sponsored by Birds Eye Walls, a subsidiary of Unilever, with support from the Local Borough Council. The Centre provides commercial training.

2. The Knowsley Information Technology Centre:

This is located on the Kirkby Industrial Estate (now called Knowsley Industrial Park) and has been operational since April 1983. It is sponsored by the local Borough Council, with Tandy Corporation UK as patron. The Centre provides information technology training.

16 JULY 1985

DUNLOP AXE

By Danny Buckland
ANOTHER nail has been hammered into Speke's industrial coffin with news of 135 jobs being axed at Dunlop's belting division.

Only 70 workers will be left from a 14,000-strong staff listed in the company's heyday 30 years ago.

The staggering decline has seen the rubber giant slash its workforce to combat the choking economic stranglehold of depression.

Stable

Financial losses forced the latest redundancies, said a company spokesman.

Dunlop, whose Walton footwear division's workforce has been reduced from about 2,500 in the 1950's to just 150, hopes its remaining workers will have a stable future producing a new PVC coated belt-



Speke
hit by
a new

jobs setback

ing for the National Coal Board.

The grim statistics reveal that Speke is averaging 1,300 jobs lost annually and the unemployment total at Garston Jobcentre, which includes the troubled South Liverpool district, stands at a depressing 9,217.

"It is a pretty grim picture, but we hope the future for the workers left will be stable," said a Dunlop spokesman, who added that a detailed study had shown that the plant could operate with fewer men if it produced a narrower range of products.

C.E
16/07/85



10 DOWNING STREET

From the Private Secretary

11 July 1985

I am writing to confirm your appointment with the Prime Minister in her room at the House of Commons on Thursday, 18 July at 1545 hours, to discuss the closure of the Plessey Telecommunications Plant in Huyton.

(Caroline Ryder)

Sean Hughes, Esq., M.P.