

PRIME MINISTER

cc: Mr. Gow

INVERGORDON

I attach a copy of Mr. Younger's Statement. You saw this over the weekend, but it may be helpful to glance at it again before Questions tomorrow, as the issues raised may well be brought up with you.

Bruce Millan said that the Opposition would insist on a Debate. (He later tried, unsuccessfully, to move an S09 Debate). He wanted much more information about the Secretary of State's involvement in discussions leading up to the closure announcement. He wanted the Company to give a break-up value for the plant, and the utilities to set a new lower electricity tariff for a new operator. He argued that the other UK smelters were heavily subsidised, but not in the open way that had applied to Invergordon. Neither the Opposition nor the workers had accepted that the closure was final. Mr. Younger replied that the Government had accepted the closure, and the financial arrangements, because this offered at least some chance of saving the rest of British Aluminium's operations.

Subsequent exchanges ranged widely. Jo Grimond and Keith Best both argued that the case illustrated the folly of our high cost energy, compared with the situation of European competitors. John Home Robertson and John Corrie were concerned about the effect on the electricity supply industry and other Scottish consumers, whilst Jeremy Bray objected that Scottish consumers carried the costs of a very large share of the UK's spare electricity generation capacity. David Myles said that the original viability forecasts for the business could now be seen to have been wildly optimistic. Dick Douglas and Alex Pollock were concerned about the knock-on effect elsewhere in Scotland. George Foulkes drew attention to the import of £61m. worth of worked aluminium in the latest three months - over £11m. worth from East Germany. Other Opposition Members were unconvinced about the reasons for leaving British Aluminium with £15m. from its closure decision.

/ Mr. Younger

Mr. Younger handled the Questions adroitly, but the Opposition will continue to press on the matter. They may yet opt to use this week's Supply Day.



18 January 1982

STATEMENT

MONDAY 18 JANUARY 1982

HOUSE OF COMMONS

INVERGORDON SMELTER

STATEMENT BY THE SECRETARY OF STATE FOR SCOTLAND

(MR GEORGE YOUNGER)

MR SPEAKER, WITH PERMISSION, I WISH TO MAKE A STATEMENT ABOUT THE CLOSURE OF THE BRITISH ALUMINIUM COMPANY'S SMELTER AT INVERGORDON.

TOWARDS THE END OF LAST YEAR THE COMPANY TOLD THE GOVERNMENT THAT THE VERY LARGE LOSSES IT WAS INCURRING AT INVERGORDON HAD REACHED THE POINT AT WHICH THE SURVIVAL OF THE WHOLE GROUP WAS SERIOUSLY AND IMMEDIATELY THREATENED; IT WAS THEREFORE PROPOSING TO CLOSE THE SMELTER BY THE END OF 1981. THE GOVERNMENT NEVERTHELESS DECIDED THAT OUR FIRST PRIORITY SHOULD BE TO TRY TO KEEP THE SMELTER IN OPERATION, AND URGENT DISCUSSIONS TOOK PLACE WITH THE COMPANY IN SEARCH OF A BASIS ON WHICH THE SMELTER COULD CONTINUE.

TO ENABLE IT TO CONTINUE IN OPERATION THE COMPANY WOULD HAVE REQUIRED THE DISPUTED CHARGES OF £47M DUE TO THE NORTH OF SCOTLAND HYDRO ELECTRIC BOARD TO BE WRITTEN OFF AND ELECTRICITY CHARGES TO BE REDUCED TO A LEVEL WHICH WOULD HAVE CAUSED THE BOARD TO MAKE ANNUAL LOSSES ON THE POWER CONTRACT OF AROUND £16M A YEAR, CONTINUING AT THAT LEVEL, AND POSSIBLY INCREASING, UNTIL THE YEAR 2000. THE GOVERNMENT THEREFORE CONCLUDED WITH GREAT RELUCTANCE THAT SUCH COMMITMENTS IN RESPECT OF ONE COMPANY WOULD BE AN UNACCEPTABLE BURDEN TO THE TAXPAYER AND THAT THE CLOSURE WOULD HAVE TO PROCEED. THE COMPANY THEN ENTERED INTO DISCUSSIONS WITH THE BOARD ABOUT THE TERMINATION OF ITS POWER CONTRACT. BECAUSE THESE DISCUSSIONS WERE STILL IN PROGRESS THE GOVERNMENT WERE NOT IN A POSITION TO MAKE ANY ANNOUNCEMENT TO THE HOUSE BEFORE THE BEGINNING OF THE RECESS.

UNDER THE TERMS OF THE SETTLEMENT REACHED BETWEEN THE COMPANY AND THE BOARD, THE COMPANY'S RIGHTS UNDER THE CONTRACT TO ELECTRICITY SUPPLIES FROM HUNTERSTON B TO THE YEAR 2000 WERE VALUED AT £79,328M. FROM THIS SUM THE BOARD DEDUCTED £47,049M IN SETTLEMENT OF DISPUTED POWER

CHARGES. AT THE DATE OF TERMINATION OF THE CONTRACT THE OUTSTANDING BALANCE OF THE GOVERNMENT LOANS TO THE COMPANY, INCLUDING INTEREST DUE, TOTALLED £33.527M. BECAUSE IT WAS THE GOVERNMENT'S INTENTION THAT THERE SHOULD BE AN EQUITABLE SETTLEMENT WHICH WOULD REDUCE THE THREAT TO THE COMPANY'S OTHER ACTIVITIES CAUSED BY THE CONTINUING LOSSES AT THE SMELTER MY RT HON FRIEND THE SECRETARY OF STATE FOR INDUSTRY DID NOT INSIST, AS HE WAS ENTITLED TO DO, THAT THE WHOLE OF THE REMAINDER SHOULD GO TOWARDS REPAYMENT OF THE OUTSTANDING BALANCES OF THE COMPANY'S LOANS. OF THE REMAINING £32.279M THE COMPANY PAID £4.488M TO THE BOARD IN SETTLEMENT OF CURRENT DEBTS FOR ELECTRICITY SUPPLIED AND £12.279M TO MY RT HON FRIEND IN PART REPAYMENT OF THE LOAN AND RECEIVED £15.512M.

THE PAYMENT OF £12.279M WAS SUFFICIENT TO REPAY THE PRINCIPAL AND INTEREST OF THE 1975 LOAN IN FULL (£6.547M) AND THE INTEREST DUE AND PART OF THE PRINCIPAL OF THE 1968 LOAN (£5.732M). WITH THE APPROVAL OF THE TREASURY, THE REMAINDER OF THE PRINCIPAL OF THE 1968 LOAN, AMOUNTING TO £21.248M, WAS WAIVED. THE EUROPEAN COMMISSION ARE BEING NOTIFIED.

AS I SAID ON THE DAY THE CLOSURE WAS ANNOUNCED, THE GOVERNMENT REGARD IT AS A PROFOUND DISASTER FOR THE AREA. WE FULLY UNDERSTAND THE SERIOUS CONSEQUENCES WHICH IT WILL HAVE FOR INVERGORDON, AND THE WIDER MORAY FIRTH AREA, BOTH IN TERMS OF JOBS LOST AND ITS EFFECT ON THE LOCAL ECONOMY.

THE COMPANY HAS UNDERTAKEN TO MAINTAIN THE SMELTER IN A USABLE CONDITION FOR A PERIOD OF 6 MONTHS AND TO CO-OPERATE WITH THE HIGHLANDS AND ISLANDS DEVELOPMENT BOARD IN ITS EFFORTS TO FIND A NEW OPERATOR FOR THE PLANT. WE ARE ALREADY WORKING WITH THE HIGHLANDS AND ISLANDS DEVELOPMENT BOARD AND LOCATE IN SCOTLAND TO ENSURE THAT EVERY EFFORT IS BEING MADE TO FIND A NEW OPERATOR. WE ARE READY TO ASSIST THE NORTH OF SCOTLAND HYDRO-ELECTRIC BOARD AND ANY POTENTIAL NEW OPERATOR IN THEIR NEGOTIATIONS.

IN THE EVENT THAT NO NEW OPERATOR COMES FORWARD, EVERY EFFORT WILL BE MADE TO TRY TO ATTRACT NEW JOBS TO THE AREA. THE GOVERNMENT HAVE AGREED TO PROVIDE A SPECIAL EXTRA ALLOCATION OF FUNDS, AMOUNTING TO UP TO £10M OVER THE NEXT 3 YEARS, TO ENABLE THE HIGHLANDS AND ISLANDS DEVELOPMENT BOARD TO UNDERTAKE SPECIAL MEASURES TO PROVIDE NEW EMPLOYMENT OPPORTUNITIES. MY DEPARTMENT, THE HIGHLANDS AND ISLANDS DEVELOPMENT BOARD AND THE SCOTTISH DEVELOPMENT AGENCY WILL GIVE THE HIGHEST PRIORITY TO FINDING NEW PROJECTS WHICH MAY BE ESTABLISHED IN THE AREA.

SCOTTISH OFFICE

CONFIDENTIAL

BJ has seen

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SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

Prime Minister

George Younger has asked if  
he can come in to talk to  
you about Invergordon. We have

fixed Tuesday afternoon for half  
15 January 1982

Mike Pattison Esq  
Private Secretary  
No 10 Downing Street  
LONDON SW1

an hour or so. Should not

Dear Mike,

Yes not

Content with this draft statement?

MUS 15/1

INVERGORDON SMELTER

I enclose a draft of the statement which my Secretary of State intends to make to the House on Monday 18 January about the closure of the British Aluminium Company's smelter at Invergordon.

I am copying this letter to the Private Secretaries to the Chancellor of the Exchequer, the Lord President, Secretaries of State for Industry, Energy, Employment, Wales, the Chief Whip, the Paymaster General and to Bernard Ingham.

Yours sincerely,

*John Wilson*

JOHN S WILSON  
Private Secretary

CONFIDENTIAL

E. B.

## DRAFT STATEMENT ON INVERGORDON SMELTER

1. Mr Speaker, with permission I wish to make a statement about the closure of the British Aluminium Company's smelter at Invergordon.
2. Towards the end of last year the Company told the Government that the very large losses it was incurring at Invergordon had reached the point at which the survival of the whole Group was seriously and immediately threatened; it was therefore proposing to close the smelter by the end of 1981. The Government nevertheless decided that our first priority should be to try to keep the smelter in operation, and urgent discussions took place with the Company in search of a basis on which the smelter could continue.
3. To enable it to continue in operation the Company would have required the disputed charges of £47m due to the Board to be written off and electricity charges to be reduced to a level which would have caused the Board to make annual losses on the power contract of around £16m a year, continuing at that level, and possibly increasing, until the year 2000. The Government therefore concluded with great reluctance that such commitments in respect of one company would be an unacceptable burden to the taxpayer and that the closure would have to proceed. The Company then entered into discussions with the Board about the termination of its power contract. Because these discussions were still in progress the Government were not in a position to make any announcement to the House before the beginning of the Recess.
4. Under the terms of the settlement reached between the Company and the Board, the Company's rights under the contract to electricity supplies from Hunterston B to the year 2000 were valued at £79.328m. From this sum the Board deducted £47.049m in settlement of disputed power charges. At the date of termination of the contract the outstanding balance of the Government loans to the Company, including interest due, totalled £33.527m. Because it was the Government's intention that there should be an equitable settlement which would reduce the threat to the Company's other activities caused by the continuing losses at the smelter my Rt Hon Friend the Secretary of State for Industry did not insist, as he was entitled to do, that the whole of the remainder should go towards repayment of the outstanding balances of the Company's loans. Of the remaining £32.279m the Company retained £15.512m and paid £4.488m to the Board in settlement of current debts for electricity supplied and £12.279m to my Rt Hon Friend in part repayment of the loan.

E. R.

5. The payment of £12.279m was sufficient to repay the principal and interest of the 1975 loan in full (£6.547m) and the interest due and part of the principal of the 1968 loan (£5.732m). With the approval of the Treasury, the remainder of the principal of the 1968 loan, amounting to £21.248m, was waived.
6. As I said on the day the closure was announced, the Government regard it as a profound disaster for the area. We fully understand the serious consequences which it will have for Invergordon, and the wider Moray Firth area, both in terms of jobs lost and its effect on the local economy.
7. The Company has undertaken to maintain the smelter in a usable condition for a period of 6 months and to cooperate with the Highlands and Islands Development Board in its efforts to find a new operator for the plant. We are already working with the Highlands and Islands Development Board and Locate in Scotland to ensure that every effort is being made to find a new operator. We are ready to assist the North of Scotland Hydro-Electric Board and any potential new operator in their negotiations.
8. In the event that no new operator comes forward, every effort will be made to try to attract new jobs to the area. The Government have agreed to provide a special extra allocation of funds, amounting to up to £10m over the next 3 years, to enable the Highlands and Islands Development Board to undertake special measures to provide new employment opportunities. My Department, the Highlands and Islands Development Board and the Scottish Development Agency will give the highest priority to finding new projects which may be established in the area.

SCOTTISH OFFICE  
15 January 1982



E.R.

175 JAN 1982

COL  
11 21 1982

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# BACO

The British Aluminium Company Ltd

7 Baker Street  
London  
W1M 1AB

Telegrams Britalumin London W1  
Telex 22756  
Telephone 01-839 8888

Chairman's Office

Prime Minister

To see that BACO

are writing to

Members.

Mr 18/1

TO ALL MEMBERS OF PARLIAMENT

14 January 1982

Dear Member

## BRITISH ALUMINIUM'S INVERGORDON SMELTER

It is likely that the House will wish to debate the circumstances of the closure of our Invergordon smelter. There has been considerable press comment, not all of it well-informed, and I think members may find it useful to have a short summary of the origins of the smelter project and of the reasons for the closure decision.

You will see from the enclosed brief:

- original expectations that nuclear power would be competitive with hydro-electric power have been disappointed;
- high power costs and depressed aluminium prices have caused large losses at Invergordon in 1981 which threatened the survival of the British Aluminium Group currently employing 7,200 people elsewhere in the UK;
- it was not possible to negotiate revised terms for power which would make the smelter viable so the company had no alternative but to close the plant or face liquidation;
- the financial settlement on termination of the power contract in no way compensates BACO for the losses it has incurred though it does restore the Group to financial viability.

Also attached is a sheet listing a few basic facts about the Group, including the location of our principal factories. If you would like more information please contact Mr J C Armstrong, Assistant Managing Director, at the above address.

Yours faithfully

*R. E. Utiger*

R E Utiger  
Chairman

14 January 1982

## BRIEF ON BRITISH ALUMINIUM'S INVERGORDON SMELTER

- 1 The project was set up in 1968, with the active encouragement of the government of the day, in the belief that power costs from the new AGR nuclear stations would enable aluminium smelters in Britain to be competitive with overseas plants based on hydro-electric power. A special power contract was concluded between the North of Scotland Hydro-Electric Board (NSHEB) and The British Aluminium Company (BACO) under which BACO contributed to the cost of constructing Hunterston 'B' and was entitled to a tranche of power up to 2000 at operating cost plus escalation. With the capital element fixed and cost escalation forecast to be small in real terms, BACO expected to pay a power price which would make the smelter competitive; while the generating boards calculated they would recover all their costs over the life of the contract.
- 2 To finance the £37 million capital cost of the new smelter BACO sold its 54% interest in a Canadian smelter of similar size. BACO received the normal investment grants then available for all capital investment, but nothing additional.
- 3 To finance its share of the Hunterston 'B' AGR BACO was promised a government loan of up to £30 million at 7%, which was slightly below the 8% then being charged to nationalised industries. This loan was repayable in equal annual instalments of principal and interest from 1972 to 1999.
- 4 The smelter was completed in 1971 on time and within budgeted cost.
- 5 By 1973/74 Hunterston 'B' was already several years late; it was clear that cost would exceed budget by at least one-third, and that its performance had to be down-rated to 80% of specification. BACO was required to pay its share of the capital cost overrun, for which the government made a further loan of £7 million at 14½%. The additional operating costs arising initially from delay in completing Hunterston 'B' and subsequently from its lower performance could not, the government recognised, be charged to BACO. The government made arrangements through what has become known as the Smelter Deficit Account to compensate NSHEB for these failures. Since 1976 Parliament has voted a total of £113 million for this purpose; none of this of course has been paid to BACO.
- 6 From 1976 onwards the power charges by then based on Hunterston 'B' costs began to escalate at a rate far in excess of inflation. In addition, there was a dispute between BACO and NSHEB as to whether certain substantial elements were payable under the terms of the contract. Attempts to negotiate a settlement of the dispute failed and in February 1980 BACO was informed that NSHEB would bring a law suit to determine the interpretation of the contract. The problem was discussed at that time between the Secretary of State for Scotland and the Chairman of BACO. The legal proceedings were not initiated until April 1981, a year later.

- 7 By the autumn of 1981 the situation had reached crisis point for BACO. Power charges had increased by a further 33% in 1981, at a time when the aluminium market was worsening steadily and Invergordon looked certain to lose £20 million in the year. Such losses were insupportable for a company the size of BACO, and it was clear that the whole Group would be forced into liquidation within a few months unless the losses could be stopped.
- 8 The company therefore formally approached the Department of Industry pointing out that it was now impossible for the company to await the outcome of the litigation with NSHEB which might drag on in the courts for several years. There appeared to be only three alternatives remaining:
  - a) To improve the power contract substantially so as to make Invergordon competitive internationally.
  - b) To terminate the power contract and close Invergordon.
  - c) To allow the whole Group to go into liquidation despite the fact that, excluding Invergordon, it was financially viable and during the period 1976-80 had the best performance record of any major European aluminium company.
- 9 After thorough examination of the whole financial position of the company, BACO was asked to put forward suggestions for a basis on which it could continue to operate the plant. The company tabled six major issues which would have to be satisfactorily resolved covering inter alia the disputed charges, price, future escalation, and flexibility of power offtake. The government added a seventh issue wishing to insert a three-year break clause. BACO argued that such a right of termination was not appropriate since the smelter could not be viable over such a short period. Negotiations proceeded with all the major issues being discussed in parallel, and both sides modified their positions in an attempt to find a total package which could be submitted to Ministers and to the Board of BACO. At no stage did the government negotiators indicate that they had authority to offer any particular package either short or long term. The package discussed on the last day of negotiations on 17 December 1981 did not include a break clause. On 18 December BACO was informed that the package had been rejected as too costly and that termination was the only possibility.
- 10 BACO had to act urgently. Losses at Invergordon had exceeded half-a-million pounds a week since September, and the financial resources of the company were in danger of fast running out. Government departments and the Scottish generating boards co-operated to complete the necessary arrangements as rapidly as possible so as to limit further damage to the company. Unfortunately, it was not possible in these circumstances to consult with employees and their trade union representatives in advance.
- 11 The financial settlement on termination of the power contract was based on BACO's contractual rights. Having made capital payments in 1968 and later years, BACO had the right to receive 200 MW of power at operating cost until the year 2000. By giving up these rights BACO

was returning a valuable asset to the generating system, and the contract provided that this "residual value" should be paid to BACO. The gross sum of £79.3 million agreed in negotiation enabled BACO to pay the disputed power charges (by then amounting to £47.0 million) and to repay £12.3 million of the government loans; the balance of £21.2 million outstanding has been waived by the government. From the remaining £20.0 million of the residual value was deducted £4.5 million due to NSHEB in the normal course of business, so that BACO received £15.5 million cash.

- 12 Out of this sum BACO has to meet all closure and redundancy costs and it also has to write down its substantial investment in the smelter project. However the payment of the disputed items and the elimination of the Invergordon losses does restore the financial viability of the Group, thus removing the immediate threat to its other operations with 2,700 employees in Scotland and 4,500 elsewhere in the UK.
- 13 This settlement in no way compensates BACO for the heavy losses incurred and the other opportunities foregone, particularly in Canada, by involvement in the Invergordon project. Success of the project depended on both the company and the generating boards fulfilling the estimates made in 1968. The company considers that it has carried out everything that it undertook at that time, but the unexpected evolution of the power cost destroyed the viability of the project.

14 January 1982

## BASIC FACTS ABOUT THE BRITISH ALUMINIUM GROUP

BACO is the only British owned company engaged in all aspects of the aluminium industry from bauxite to finished products. In the context of the world aluminium industry it is only a medium sized company, but it is the sixth largest in Europe. BACO is a publicly quoted company, of which Tube Investments Limited owns 58 per cent.

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>Jan-June</u> <u>1981</u>
	-----£ million-----			
Sales	211	269	276	128
Profit before tax	25	21	12	( 9) loss

The principal factories of the Group are:

PRIMARY SMELTERS	-	Invergordon, Ross-shire Fort William, Inverness-shire Kinlochleven, Argyll
ROLLING MILLS	-	Falkirk, Stirlingshire Dolgarrog, Gwynedd
EXTRUSION PLANTS	-	Redditch, Worcestershire Warrington (2), Cheshire St Helens, Merseyside Distington, Cumbria
FOIL PLANTS	-	Glasgow Silvertown, London
ALUMINA CHEMICALS	-	Burntisland, Fife
MAGNESIUM AND ZIRCONIUM	-	Clifton Junction, Manchester

The total employees of the Group at the end of 1981 were:

INVERGORDON	-	890
OTHER SCOTTISH PLANTS	-	2,700
ENGLAND AND WALES	-	4,500
OVERSEAS	-	1,450



✓ AD  
SV

Government Chief Whip  
12 Downing Street, London SW1

11 January 1981

Dear Nick, *MA*

Thank you for your letter of 8 January about the possibility of a debate on the closure of the Invergordon smelter.

Scottish Labour MPs met in Glasgow last Thursday to discuss this and the reports of the meeting which I saw indicated that they would in fact be seeking a debate under Standing Order No.9 when the House returned.

My own view is that we should not volunteer a debate in Government time on this specific issue. The Lord President will recall that the Opposition have a Supply Day on Thursday 21st January which could be used to debate this subject. I think, although I have not yet discussed this with the Chief Whip, that there could be some merit in providing a one or possibly a two day debate on unemployment generally following the announcement of the January figures. If the Lord President were to agree, then clearly this would be a suitable occasion on which to raise the Invergordon issue.

If the unemployment figures do top the three million mark, then I believe that the Opposition will almost certainly table a Censure Motion against the Government, in which case it would be more than likely that the Prime Minister would have to take part in the subsequent debate. If, on the other hand, the Government provide time, with say the Opposition using a Supply Day for the second day, then there would be every justification for Departmental Ministers only taking part.

I am copying this letter to Mike Pattison at No.10 and Muir Russell, Scottish Office.

Yours ever,  
*M Maclean*  
(M MACLEAN)

N P M Huxtable Esq  
Private Secretary to the Lord President of the Council

191 1000 882





*Prime Minister*



PRIVY COUNCIL OFFICE  
WHITEHALL, LONDON SW1A 2AT

8 January 1982

*Dear Murdo*

The Lord President of the Council has received a letter from Gordon Wilson MP requesting the recall of Parliament to discuss the decision by British Aluminium to close their smelter at Invergordon with the loss of 900 jobs. I attach a copy.

In a separate letter today, we have sought the advice of the Scottish Office as to the most appropriate response to this request. However, the Lord President would be grateful for your advice as to whether it would be possible for an opportunity to be found for the House to debate this question on its return. I imagine that Scottish MPs most intimately concerned will in any case seek an emergency debate under the provisions of Standing Order No 9. Nevertheless if such an application were to fail, I imagine that the Lord President would still be pressed hard to find Government time for a debate.

I am copying this letter to Mike Pattison (No 10) and Muir Russell (Scottish Office).

*Just over*

*N.P.M. Huxtable*

N P M HUXTABLE  
Private Secretary

Murdo Maclean Esq  
Private Secretary to the  
Government Chief Whip  
12 Downing Street  
London SW1



PRIVY COUNCIL OFFICE  
WHITEHALL, LONDON SW1A 2AT

8 January 1982

*Dear Mr*

... The Lord President of the Council has received a letter from Gordon Wilson MP in which the recall of Parliament is urged in order to permit a debate to be held on the decision of British Aluminium to close their smelter at Invergordon with the loss of 900 jobs. I attach a copy. The Lord President would be grateful if you would arrange for your Department to undertake the preparation of advice as to the terms of a reply.

I am copying this letter and enclosure <sup>29/12</sup> to Mike Pattison, 10 Downing Street, and Murdo Maclean, Chief Whip's Office

*Yours ever*  
*N P M Huxtable*

N P M HUXTABLE  
Private Secretary

Muir Russell Esq  
Private Secretary to the  
Secretary of State for Scotland  
Dover House  
Whitehall  
London SW1



Scottish National Party

6 North Charlotte Street  
Edinburgh EH2 4JH  
Tel 031-226 3661

Your ref  
Our ref 29 December 1981

LOD PRESIDENT  
OF THE COUNCIL  
RECEIVED

- 6 JAN 1982

6

Rt Hon Francis Pym,  
Leader of the House of Commons,  
House of Commons,  
London SW1.

Dear Francis,

As you will be aware, the British Aluminium smelter at Invergordon is to close, with the loss of 900 jobs.

This blow will have a devastating effect on the area - its equivalent in the English Midlands would be the closure of British Leyland operations.

Owing to the seriousness of the situation, I therefore urge you to recall Parliament to discuss the issue as a matter of urgency.

I find it incredible that the Government should make such an announcement during the recess, when there is no opportunity to question Ministers. I suggest that the gravity of the situation merits the reopening of Parliament to debate the proposed closure and the future of the area.

Yours sincerely,

*G.W.*

*MP* Gordon Wilson MP  
Chairman  
Scottish National Party.



11 JAN 1982