



DW172

Secretary of State for Trade and Industry

NBM
AT 8/7
CEDO

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

5 July 1985

The Rt Hon Patrick Jenkin MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
London
SW1P 3EB

D. Pahlke,

BIRMINGHAM CONVENTION CENTRE

Thank you for copying to me your letter of 20 May to Peter Rees. I have also seen Peter's reply of 29 May and the Prime Minister's comments recorded in her Private Secretary's letter of 31 May.

2. Peter has referred in his reply to my letter of 6 June last year when I agreed that the public expenditure objections to the proposal were over-riding. On that occasion I was of course referring to an earlier set of proposals which you did not yourself consider acceptable. You will recall that I also welcomed your readiness to consider a fresh application from Birmingham should they be able to re-think the balance of funding and develop a scheme with a better chance of attracting private sector involvement.

3. I understand that an alternative financing proposal to that set out in your letter of 20 May is now expected. In the meantime, I feel it is worth commenting further on the industrial case for the centre. The scheme is an important one, not only for Birmingham and the West Midlands, which is greatly in need of alternative jobs following the rapid decline in its traditional manufacturing industries but also in tourism terms. As you know the ETB have now come down strongly in support of a UK centre of this scale and quality which they consider necessary if we are to maintain and possibly expand our share of the increasingly competitive and sophisticated international conference market. As far as location outside London goes, this would be seen as a positive step towards spreading the benefits of tourism beyond London, which is a declared aim of our tourism policy.



4. I would certainly hope that the potential impact on the International Conference Centre in London is not seen as a major obstacle as Peter Rees implied in his reply. The ICC will have a smaller overall capacity than Birmingham and this will limit the extent to which it is likely to be in direct competition. Moreover as long as the ICC is intended primarily for Government use it may be difficult for it to compete on equal terms with other centres for commercial conference business. Elsewhere the most vulnerable venues would tend to be those with outdated facilities not capable of multi-purpose use.

5. My conclusion therefore is that there is much to be said in favour of a Birmingham Convention Centre if the funding problem can be overcome.

6. I am copying this letter to the Prime Minister, Peter Rees, Tom King, David Young, Peter Walker and Norman Fowler.

*Yours ever,
Norman*

NORMAN TEBBIT

Inner Cities Policy: Regional Policy
Pt 6.

