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10 DOWNING STREET
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22 October 1986

From the Private Secretary

UK REGIONAL DEVELOPMENT PROGRAMME 1986-90

The Prime Minister is, with your Secretary of State and Lord Young, very concerned, indeed angry, that this report could have been put out in the way it was, and with the contents it had. She accepts that it had to make the case for the UK to receive money from the ERDF. But it should not have been so totally unbalanced and injudicious. It was also very regrettable that the Prime Minister and colleagues were not warned that the report was about to become more widely available and that it might attract attention.

The Prime Minister agrees that Lord Young should always be consulted before the publication of anything which bears on unemployment and employment.

I am copying this letter to Joan MacNaughton (Lord President's Office), Andrew Lansley (Chancellor of the Duchy of Lancaster's Office) and to John Turner (Department of Employment).

(DAVID NORGROVE)

Tim Walker, Esq.,
Department of Trade and Industry.

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The Rt Hon Paul Channon QC MP
Secretary of State
Department of Trade and Industry
1 Victoria Street
LONDON SW1

Prime Minister!
Agree to write in
support of Lord Young?

20 October 1986 JRS
21/10

Dear Paul,

Yes - very emphatically not

I am writing to you about the release of the Report, UK Regional Development Programme 1986-90.

I have no complaint about the so-called "job deficiency forecasts" which the Press highlighted. My Department provided these, and we were fully involved. But the way in which the document has been given such wide and damaging press coverage is a matter of great concern to me. We have recognised that our presentation of facts and policies is often deficient, and this, I suggest, is a prime example.

I would make two points. First, though the report was in the public domain, it must surely have been clear that an Opposition spokesman would make substantial press capital out of it. Yet I had no knowledge that the document had been sent to Gordon Brown, and we had to mount a rapid defensive campaign at a time when we were becoming able to put over a more optimistic picture of the employment scene.

Secondly, some of the press reports quote highly coloured descriptions of conditions in the regions which do not square with our current public stance on infrastructure and other capital spending. My Department was not consulted on what was said in these commentaries.

There are lessons to be learned from this. I would like to see the release of any document which bears on employment or unemployment being the subject of adequate prior consultation with my Private Office. More generally, we must look again at

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our presentational approach to avoid the impression given in this case that Ministers and Departments are in disarray and are concealing the real facts from the public.

I am copying this letter to the Prime Minister, the Lord President of the Council, and the Chancellor of the Duchy of Lancaster.

Yours,
David

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