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MINISTER OF STATE FOR DEFENCE PROCUREMENT

D/MIN/AB/1/8

31st October 1984

Prime Minister

REDUNDANCIES AT THE ROYAL ORDNANCE FACTORIES

I am sure you will wish to be aware in advance of redundancy announcements to be made by Royal Ordnance Factory management at ROFs Blackburn, Bishopton, Birtley and Chorley. The announcements are timed for this Friday morning at 9am. The redundancies in the worst case, will be up to 1,819 personnel, about 10% of the total ROF workforce, and result from a reduction in the MOD ammunition requirement. The shortfall in work results from a combination of factors. First, there have been enhancements to the programme over the past two or three years to build up stocks following the Falklands conflict and generally to improve the War Maintenance Reserve. The additional workload associated with these enhancements is now coming to an end. Also, under the terms of longstanding Memoranda of Understanding between ourselves, the FRG and Italy, for the production of a towed 155mm howitzer (known as FH-70) and its family of ammunition, we are having to place an order for FH-70 ammunition with German industry.

2. The Memorandum of Understanding, in common with many similar documents which regulate international collaborative military programmes, specifies that each nation shall be entitled to a certain proportion, by value, of the work to be undertaken. Normally work shares are made proportional to the partner nations' offtake of the principal equipment involved (in this case the gun). On this basis, we would have been entitled to something under 20% of the work generated by the FH-70 project.

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For a number of reasons, however, the UK has, to date undertaken 38.24% of work done. In financial terms, this means that British industry has been awarded work worth nearly £11m which should have gone elsewhere. Italy has a smaller work surplus worth approximately £3.5m. Conversely, Germany is owed just over £14m worth of work. It is within this framework that the MOD has placed an order with Germany. There is no means of avoiding this which would not involve either breaking an international agreement to which we were party and which offers the UK exceptionally favourable overall treatment, and/or jeopardising our wider interests, including those of the ROFs, in the field of defence equipment collaboration. ROF management has reluctantly accepted this.

3. There has been Trades Union and media speculation for some time concerning the possibility of a major redundancy and it will not come as any surprise. During this period we have been careful to make it clear that the size of the ROF workforce is, as ever, determined entirely by the state of the ROFs' order book, and this is of course the case. However, the timing of the announcement, following hard on the heels of Royal Assent for the Ordnance Factories and Military Services Bill, is bound to lead to Opposition and Trades Union claims that there is some link between the lack of MOD orders and the Government's plans to privatise the ROFs. This is something we will have to live with.

4. MOD Ministers have already received representations from the ROF Trades Unions; and, at their request, Michael Heseltine and I are again meeting National Officers of the principal Unions concerned at 2.45pm on Thursday to inform them of the position.

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5. Already, the Trades Unions have announced plans for a 'walk out' throughout the ROF organisation timed to coincide with the meeting. No doubt, this has much to do with their antipathy towards our privatisation proposals as their concern at the prospect of large-scale redundancies.

6. At Annex I attach a note summarising the worst case redundancy currently envisaged. I am sending copies of this minute to Willie Whitelaw, Tom King, George Younger and Sir Robert Armstrong.

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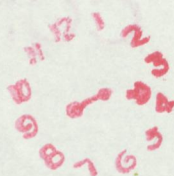
ANNEX TO  
D/MIN/AB/1/8  
DATED: 31ST OCT 84

	<u>Factory</u>	<u>Industrials</u>	<u>Non-Industrials</u>	<u>Total</u>
<u>Explosives</u> <u>Division</u>	Bishopton	512	90	602
<u>Ammunition</u> <u>Division</u>	Birtley	460	135	595
	Blackburn	120	25	145
	Chorley	337	140	477
	TOTAL	<u>1,429</u>	<u>390</u>	<u>1,819</u>

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31 OCT 1984



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10 DOWNING STREET

*From the Private Secretary*

1 November 1984

REDUNDANCIES AT THE ROYAL ORDNANCE FACTORIES

The Prime Minister has read the Minister of State for Defence Procurement's minute of 31 October on this subject, for which she was grateful.

I am sending copies of this letter to Janet Lewis-Jones (Lord President's Office), David Normington (Department of Employment), John Graham (Scottish Office) and Richard Hatfield (Cabinet Office).

(C.D. POWELL)

Dr. Alan Kemp,  
Office of the Minister of State for Defence  
Procurement

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sions with any group of unions interested in such an agreement on behalf of the grades they represent or, if need be, with the institution alone."

Mr Kemp replied: "I am

among the most moderate groups in the Civil Service, yesterday voted narrowly in favour of remitting to the executive a motion calling for a ballot on setting up a political fund.

There has been a break with established prison design and a move towards a hospital model. In our view the result has been disastrous—a view shared strongly by prison staff and inmates," the MPs say.

They say the design allows little daylight into cells and no daylight into corridors and many communal areas. Drab colours, low ceilings and little natural light gave a "strongly depressing and claustrophobic atmosphere."

Defects in cells included significant areas not visible from the observation post, easily broken washing facilities, and fittings with sharp edges which could easily be used in self-mutilation.

"Confinement to cells is greater than anyone would like and, unless there is a massive injection of manpower, little can be done to reduce confinement hours.

"Holloway has been redeveloped at great cost over the last ten years. The design is totally inappropriate and it is grossly expensive to run."

mother, Beverley Lorrington, best long-term plan — stressed live towards her," she said. The inquiry continues.

## Productivity plan agreed

By Patrick Wintour, Labour Staff

A compulsory productivity scheme, which it is claimed could increase efficiency by 14 per cent, is to be introduced in every postal sorting office within the next month.

Retention of the existing voluntary productivity scheme, covering only 56 per cent of mails staff, was rejected yesterday by the Union of Communication Workers' conference by 7,569 votes to 5,163.

The vote is a triumph for the Post Office management and the UCW executive.

A number of larger branches, including Coventry, Manchester, and Glasgow, have snubbed the productivity scheme, arguing that it cuts jobs. Locally-negotiated bo-

nuses are paid by sharing out savings arising from a reduction in man hours.

But the introduction of a voluntary scheme in inner London has improved productivity by 26 per cent over the past four years, while throughout the country the saving has been 14 per cent. Average bonus earnings have been about £14 a week, but earnings have reached £40 extra in London.

The conference at Bournemouth yesterday endorsed the introduction of new technology, including the electronic sorting machine, OCR, which is capable of reading typed addresses and printing post codes on envelopes.

A Post Office spokesman said it was hoped to introduce up to 20 OCR machines next year, involving the loss of 300 jobs.

## Kidnapper gaoled for 14 years



Shirley Goodwin — held to ransom

A member of an "evil" gang of kidnapers was gaoled for 14 years yesterday after being trapped by voice prints.

William Davies (28), a nightclub bouncer, of Old Road, Gravesend, was recruited as the gang's muscle, Judge Nina Lowry at the Old Bailey said.

She described Davies as a violent man capable of being dangerous and she said he instilled terror into the kidnap victim, Mrs Shirley Goodwin, aged 40, and her family.

Mrs Goodwin was abducted from her home in Hackney in April, 1983, and held blindfolded for six days on the Isle of Sheppey while a £50,000 ransom was demanded. At the time her husband, John, aged 45, was in prison.

Two other members of the gang, earlier gaoled for 18 years and eight years respectively, were caught by detectives when they picked up a £10,000 ransom deposit.

Davies remained free until he was positively identified by a phonetics expert who studied voices on ransom tapes.

## 144 ordnance jobs to go

By Richard Norton-Taylor

The Royal Ordnance factory in Bridgwater, Somerset, which produces high explosives for ammunition, is to make 144 workers redundant, partly, according to union officials, because east European countries, including Romania, are dumping cheap TNT on the Nato market.

Delegates at the annual conference of the Institution of Professional Civil Servants in Eastbourne, said yesterday that Mr Adam Butler, the junior defence minister, would announce the redundancies in a statement tomorrow.

Mr Jack Dromey, national of-

ficer of the Transport and General Workers' Union, who negotiates for Royal Ordnance factory workers, has written to Mr Butler for an assurance that no east European material will be brought for British forces. He said that at a meeting on May 14 with union representatives, Mr Butler had said that it was vital for Britain to maintain its own viable explosives manufacturing capability.

Mr Dromey said yesterday that the ministry should finance the build-up of British explosives stocks, rather than allow Bridgwater to be run down because of imports from abroad.

## The tribunal tribulations of Kerry baby mother

From Joe Joyce in Dublin

TOURIST posters of two beautiful beaches on the coast of County Kerry adorn the hall in Dublin Castle where the official inquiry into the deaths of two newly-born infants finished taking evidence yesterday.

They remain from the hall's previous role as the press centre for a Common Market summit. The tribunal moved in to sort out the extraordinary events after an infant's body was found with 28 stab wounds on another beautiful Kerry beach.

The hearings moved to Dublin after two months in Tralee, County Kerry.

Dark-suited lawyers have sifted clinically through the evidence of some 100 witnesses, revealing a complex story.

Miss Joanne Hayes, or-

dered to attend all evidence by the tribunal, sits among the public. She has heard and had to reveal explicit details of her sex life, her medical history, and her emotions. She was originally charged with the murder of the stabbed baby, but the accusation was dropped when her own stillborn child was found.

For 77 days she has listened to psychiatrists dissect her psyche, policemen talk about her loose morals, and lawyers depict her as manipulative and scheming.

Scientists debated the purity of blood samples squeezed from the lung tissue of the murdered infant, the strength of umbilical cords, and if and how they break when pulled.

The senior detective involved in charging her with murder explained that he



Joanne Hayes — explicit details

had not taken her to find the watery hiding place of her own dead son — which his men could not locate — in case vermin had eaten parts of the body and the site would have traumatic effects on her.

Amid the arguments about whether Miss Hayes was a victim or a manipulator, her

experience has been cited in attempts to prove and disprove numerous beliefs about Irish society.

However, the outrage among women's groups and others at Miss Hayes's grueling cross-examination dissipated somewhat when other members of her family gave conflicting testimony to her account of giving birth alone in a field.

But the issue before the tribunal has remained constant: how did Miss Hayes and her family come to confess in graphic detail to the murder of the stabbed infant, when the scientific evidence indicated that it was not her child?

She and her family say they were pressed into making false statements. The police denied putting any pressure on them.

They insist that they still

believe she stabbed the murdered infant which, they say, was one of twins born to her.

The scientific evidence has ruled out her lover as the father of the murdered baby. She could only have had twins by two different fathers—an "Exceeding rare" event, according to one expert.

Mr Justice Kevin Lynch, the High Court judge conducting the inquiry, has told the two sets of lawyers representing the police and the lawyers for the Hayes family, to come back on June 10 to sum up their cases.

As Miss Hayes left the tribunal yesterday there was no sign of the yellow roses and ribbons with which she had been festooned in the emotive days when she was interrogated in the witness box.

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