

PRIME MINISTER

DAILY EXPRESS - SCOTLAND

You have agreed to give the Scottish Daily Express - the Scottish edition of the Daily Express - an exclusive interview tomorrow for mutual benefit.

The interview will take place for an hour from 11.15am. I suggest it should be in the study. I will accompany Mr Birrell who will be joined by John Downing, photographer.

Under Beaverbrook, the Scottish Daily Express was a formidable force in journalism. But it was allowed to run down in the later years of that regime and it has latterly been a very pale shadow of its former self.

Now Nicholas Lloyd and Paul Potts want to dynamise the whole operation and have chosen the man who will interview you, George Birrell, to lead this. Mr Birrell currently covers the Scottish political scene, is one of their more experienced writers and is very supportive.

They believe that an exclusive interview with you will be an excellent springboard and they want to be helpful to you in Scotland. Their Scottish edition sells about 170,000 and the aim is to raise it to over 200,000.

I expect that the Express will use on Saturday morning any general UK comments you make as a news trailer for the full interview in Scotland on Monday.

The areas of questioning are set out at Annex I.

You clearly do not need much briefing especially as you were in Scotland (Inverclyde and Dundee) on March 30. But I have brought the following together:

- Annex II John Whittingdale's political briefing on Scotland.
- Annex III Bull points on the Scottish Economy.
- Annex IV Your latest pronouncement on devolution.
- Annex V Malcolm Rifkind's urban policy statement of March 29.
- Annex VI Terry Perks' briefing for your March 30 visit to Scotland.

GENERAL POINTS

The key points about this interview are:

- to demonstrate your interest and enthusiasm for Scotland and its progress
- to declare your determination, through the application of your policies in Scotland, to win back politically there.
- to tell them to stop feeling so unjustifiably sorry for themselves and to have done with their tendency to run their country down. Scotland has nothing to be sorry or modest about.

You should aim to enthuse Mr Birrell as the man who will be shaping the Scottish Daily Express's revival. He needs to leave No 10 feeling he has got a good story and that if only Scotland embraced Thatcherism it would really go places.



BERNARD INGHAM

14 April 1988

AREAS OF QUESTIONING FOR THE PRIME MINISTER

The intention is to confine questions, in most part, to issues relating to Scotland and broaden them to UK topics towards the end of the interview.

STATE OF THE CONSERVATIVE PARTY IN SCOTLAND: What are the lessons to be learned from losing half the Tory MPs at the last election; Which is the way back for the Conservatives in Scotland; Do the "recalcitrant, ungrateful" Scots pose more headaches than the rest of Britain; How does Prime Minister respond to frequent allegations that she is "uncaring" of the Scots.

ECONOMY: How will the Ford debacle in Dundee affect inward investment to Scotland and is it an example of comfortably off workers in the South turning their backs on the unemployed in the North; Has Scotland to resign itself to perpetually high unemployment; What can be done to liberate the alleged enterprise of the Scots who have the lowest growth rate in self-employment and the service industries; What benefits will there be for Scotland from the single European market in 1992 and the Channel tunnel.

COMMUNITY CHARGE: How concerned is the Prime Minister that many Scots are reportedly disenfranchising themselves to avoid paying the new charge; Will the government encounter increased hostility if there are widespread prosecutions; Does the proposed Mates amendment not pose a bigger threat than Labour's attempted wrecking tactics; If it, or any other amendment, succeeds would it not be acutely embarrassing to introduce it in Scotland.

DEVOLUTION: If Stormont remains a possibility for Ulster why not an Assembly for Scotland; Would a reduction in Scottish Westminster MPs be a fair trade-off for an Assembly; Is there concern about the growth in pro-devolution support within Scottish Conservative ranks.

HEALTH AND SOCIAL SECURITY: With the NHS being the most emotive of all domestic issues would meeting in full the terms of the nurses pay review not assuage public opinion; Is there scope for further significant hospital services being put out to competitive tender; Does the Prime Minister accept the government's own social security advisers claim that the benefits system lacks flexibility and would leave many claimants, especially the young, worse off.

PERSONAL: After 9 years in government does the Prime Minister feel enough has been achieved and what now are the priorities.

THE STATE OF THE CONSERVATIVE PARTY IN SCOTLANDPoor Electoral Performance

It is true that the result of the election in Scotland was the worst for the Conservative Party since the war. However, it fits closely to a steady downward trend in the party's performance since the early sixties.

<u>Year:</u>	1959	1964	1966	1970	1974 Feb	1974 Oct	1979	1983	1987
Con ² of vote	47.2	40.6	37.7	38.0	32.9	24.7	31.4	28.4	24.0

The task is therefore to reverse a generation of decline which is based on deeply ingrained attitudes.

Dependency Culture

Part of the reason for the Party's decline in Scotland is the prevailing dependency culture in Scotland. This is reflected in:

- (i) Larger public housing sector: Scotland has approximately half its population in local authority housing compared to 25% in England. Owner-occupiers account for only two-fifths of the total compared to two-thirds in England.
- (ii) Larger public sector: 25% of the Scottish workforce is employed in the public sector (central government, local government and the NHS) compared to 21% in the UK as a whole. Moreover, this employment has held up better, falling by 1% in the UK but by only by 0.1% in Scotland.

In addition, parents have until now been denied involvement in their schools. There is an anti-enterprise and paternalist culture which has retarded economic growth and self-confidence.

Economic Performance

The recovery in Scotland has lagged behind that of the rest of the UK, partly due to the fall in the oil price.

- (i) Output: since 1985, the UK as a whole has surged ahead with 3.7% growth in GDP in 1985, 3.1% in 1986 and 4.5% in 1987. In Scotland, performance has been much weaker with 3.1% growth in 1985, nil growth in 1986 and growth in 1987 was still considerably weaker than in the rest of the UK.
- (ii) Manufacturing: manufacturing output regained its 1979 level in 1985 but fell again in 1986 and there was a further fall at the beginning of 1987. The result is that Scottish manufacturing output, though very different in composition - the electronics industry, for instance, has shown a growth of 133 per cent since 1979 while steel and shipbuilding have declined sharply - is still in aggregate below its 1979 level.
- (iii) Unemployment: throughout the 1970s, the Scottish unemployment rate was 1% higher than the rate for the UK. In the 1980s, this differential rose to 2%. Then in 1986, unemployment in Britain began to fall while Scottish unemployment continued to rise. By February 1987, the differential had reached 3%. It has remained at 3% since then as Scottish and British unemployment rates have fallen in unison.

Prospects for the Future

The Economy: Scotland is now fully benefitting from the economic recovery. Unemployment has fallen by over 42,000 in the last year.

Education: The establishment of school boards will give parents the opportunity to influence their children's education

Housing: 111,000 public sector tenants have already bought their own homes. Owners occupation is up from 35 per cent to almost 43 per cent and rising fast.

Privatisation: Privatisation of the Scottish electricity industry and the Scottish Bus Group will give a major boost to private enterprise in Scotland. It will also provide an opportunity for employees and Scottish investors to acquire shares in Scottish companies.

These measures will have a major effect in reducing the dependency culture and encouraging enterprise and growth. I am confident that as the Scottish people benefit from the prosperity this will bring, so will the Conservative Party in Scotland.

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JOHN WHITTINGDALE

14.4.88

SCOTTISH ISSUES: BACKGROUND

BULL POINTS ON THE SCOTTISH ECONOMY

- * Unemployment trend now firmly downward: down over 42,000 in the year to February 1988 and now at its lowest level since April 1983.
- * Recent business and industrial surveys confirm improving prospects in the Scottish economy.
- * Manufacturing productivity in Scotland increased by 5.6% per annum between 1979 and the first half of 1987, compared with 3.9% per annum in the UK as a whole. (Over this period Scottish manufacturing productivity growth was higher than in any of the 7 major OECD economies.)
- * Service sector employment in Scotland increased by over 63,000 between June 1983 and June 1987.
- * The number of self-employed in Scotland increased by 45,000 between June 1981 and June 1987, compared with virtually no change in the 3 decades to 1981.
- * Average weekly earnings for men and women in Scotland (£214.60 and £139.90 respectively in April 1987) are higher than in any other part of the UK except the South East.
- * Inward investment totalling £2.6 billion, planned to create or safeguard some 50,000 jobs, has been attracted since the formation of Locate in Scotland in 1981.
- * The Scottish electronics industry more than trebled its output in real terms over the decade to 1986.
- * The Scottish Development Agency aims to spend some £136m in the current financial year and some £147m next year (£64.2m in 1978-79), and the Highlands and Islands Development Board some £38m this year and some £43m next year (£15.6m in 1978-79).
- * The Scottish Tourist Board is to receive £9m in Government funding this year, rising to £10m next year (£3.5m in 1978-79).
- * The Government's employment and training measures in Scotland currently cover some 118,000 people. Estimated expenditure on the YTS in Scotland is some £100m in the current year.

The Prime Minister: Yes. We all recognise the tremendous courage of the Ulster Defence Regiment and the debt that we owe to it. No matter what the difficulties and the casualties, there are always more people prepared to be recruited to the regiment, and they play a very important part in the security of Northern Ireland.

Mr. John D. Taylor: What is the Prime Minister's present policy towards devolution in Scotland?

The Prime Minister: It is the same as it has always been. I am against further devolution in Scotland.

Mr. Gregory: Will my right hon. Friend find time in her busy day to study the survey report from Liverpool earlier this week that children as young as seven have been supplied with cigarettes? In all the cases surveyed, not one shop stayed within the law. Will my right hon. Friend confirm that the maximum penalty of £400 is quite inadequate, when 100,000 people die as a result of smoking in this country?

The Prime Minister: I am grateful to my hon. Friend for pointing out that smoking is indeed a very great danger to health and for bringing up what is undoubtedly a very difficult problem, in that some young children smoke and are supplied with cigarettes. It is absolutely scandalous.

Mr. McAllion: To ask the Prime Minister if she will list her official engagements for Thursday 10 March.

The Prime Minister: I refer the hon. Gentleman to the reply that I gave some moments ago.

Mr. McAllion: Has the Prime Minister had the opportunity to read the letter to the British Medical Association from Dr. Mitchell, a consultant physician at Scarborough hospital, in which he points out that the much-vaunted throughput statistics for that hospital are felt by all the consultants to be positively dangerous to the standards of patient care, and in which he comments that it is easy to appear efficient when understaffed and underfunded? Will the Prime Minister for once listen to those who are best qualified to comment on standards of patient care—the doctors—and will she ensure that on Budget day the NHS has a chance to have its version of a super-Tuesday?

The Prime Minister: As the hon. Gentleman will have heard me say many times, the resources available to the Health Service are greatly in excess of any that have ever been available before. The numbers of nurses and doctors, and patients being treated are also greatly in excess of any in the past.

With regard to the Tayside health board —
[*Interruption.*]

Mr. Speaker: Order. The Prime Minister.

The Prime Minister: Tayside remains the second best funded board in Scotland, and its revenue allocation is £146 million, giving a per capita allocation of £372, compared with the Scottish per capita allocation of £307.

Q5. Mr. Sackville: To ask the Prime Minister if she will list her official engagements for Thursday 10 March.

The Prime Minister: I refer my hon. Friend to the reply that I gave some moments ago.

Mr. Sackville: Does my right hon. Friend agree that under Mikhail Gorbachev there has been a rapid improvement in the effectiveness of Soviet propaganda presentation, unsupported by any real change in Soviet foreign or defence policy or human rights performance? Does she agree that that is a dangerous situation, about which some of our NATO allies should be constantly reminded?

The Prime Minister: I think that my hon. Friend is essentially right in his premise. Not a great deal has changed in military developments in the Soviet Union; indeed, modernisation continues apace. At the same time, I think that we must welcome the Soviet Union's wish to withdraw from Afghanistan. It is what we have been urging upon the Soviets, and we hope that the withdrawal will very soon be completed. In the meantime, we must make certain that our own defence is sure, and continue to plead on behalf of those in the Soviet Union who do not enjoy the human rights that we take for granted.

Q6. Mr. Ted Garrett: To ask the Prime Minister if she will list her official engagements for Thursday 10 March.

The Prime Minister: I refer the hon. Gentleman to the reply that I gave some moments ago.

Mr. Garrett: Will the Prime Minister accept that we have one thing in common, and that is that we both abhor the filth and disgrace of our inner cities? Litter is a massive problem that is now facing the nation and, as a provincial Member, I am distressed beyond belief at Londoners' failure to try to smarten up this capital city of ours. Will the right hon. Lady accept that, with the possible exception of Westminster, the rest of the boroughs of this great metropolitan area are somehow or another losing the battle to keep our streets clean? It must be a source of great distress to foreigners leaving the clean surroundings of Heathrow to see the filth and grime in this city. It is possible for someone from the right hon. Lady's Department to go to our European capitals to see how they tackle the question that we fail to tackle?

The Prime Minister: I agree wholeheartedly with what the hon. Gentleman has said. I also agree that Westminster city council makes tremendous efforts to try to keep the city clean. Litter is a problem not only in our inner cities but often on the sides of major roads and on the central reservations. The problem is tackled in Europe by giving people responsibility for clearing the frontages before their shops, offices and houses. That is a possible change. It would be a major change. If people did not throw down litter and had more pride in their cities and motorways, we should not have the problem.

STATEMENT BY THE SECRETARY OF STATE FOR SCOTLAND
TUESDAY 29 MARCH 1988

URBAN POLICY - SCOTLAND

WITH PERMISSION, MR SPEAKER, I SHOULD LIKE TO MAKE A STATEMENT ABOUT URBAN POLICY IN SCOTLAND. I AM TODAY PUBLISHING A DOCUMENT ENTITLED "NEW LIFE FOR URBAN SCOTLAND" WHICH EXPLAINS OUR POLICIES AND SETS OUT OUR PLANS FOR MAJOR NEW INITIATIVES. COPIES ARE AVAILABLE IN THE VOTE OFFICE AND HAVE BEEN PLACED IN THE LIBRARY.

SINCE THE 1970S MUCH HAS BEEN DONE TO REVIVE SCOTLAND'S URBAN AREAS AND IN PARTICULAR TO BRING NEW LIFE TO INNER CITY AREAS, FOR EXAMPLE THROUGH GEAR, IN LEITH AND IN DUNDEE. IT IS GENERALLY AGREED THAT GLASGOW AND OTHER AREAS OF SCOTLAND ARE BEING TRANSFORMED. BUT IN THE 1980S IT IS THE PEOPLE LIVING IN THE LARGE PERIPHERAL ESTATES WHO ARE SUFFERING MOST FROM SOCIAL AND ECONOMIC DEPRIVATION, WHO HAVE THE LEAST CHOICE IN THE TYPE OF HOUSING THEY OCCUPY, WHO HAVE THE LEAST SAY IN RUNNING THEIR COMMUNITIES, AND WHO ARE MOST DEPENDENT ON STATE BENEFITS AND SERVICES.

IN DRAWING UP OUR PROPOSALS WE HAVE CAREFULLY EXAMINED THE LESSONS OF RECENT EXPERIENCE. FUTURE ACTION WILL THEREFORE BE FIRMLY BASED ON THE PRINCIPLES OF HELPING RESIDENTS TAKE MORE RESPONSIBILITY IN VARIOUS WAYS FOR THEIR COMMUNITIES, OF FULL INVOLVEMENT OF THE PRIVATE SECTOR, AND OF PARTNERSHIP BETWEEN DIFFERENT PUBLIC BODIES AND THE PRIVATE SECTOR.

IT IS ESPECIALLY IMPORTANT THAT WE RENEW THE SELF-CONFIDENCE AND INITIATIVE OF LOCAL PEOPLE AND HELP THEM TO ASSUME INCREASED RESPONSIBILITY FOR THEIR COMMUNITIES. THE WAY IS OPEN THROUGH, FOR EXAMPLE, INVOLVEMENT IN TRAINING OPPORTUNITIES, TENANT CO-OPERATIVES, HOUSING ASSOCIATIONS, SCHOOL BOARDS, SMALL BUSINESSES AND SELF-EMPLOYMENT. IT IS ESSENTIAL THAT THE RESIDENTS ARE FULLY INVOLVED AND COMMITTED TO PLANS TO REGENERATE THEIR AREAS.

THE PRIVATE SECTOR HAS ALREADY DEMONSTRATED THE IMPORTANT PART IT CAN PLAY IN BRINGING BACK NEW LIFE TO DEPRIVED URBAN AREAS. THE GOVERNMENT ARE COMMITTED TO INCREASING FURTHER ITS INVOLVEMENT, BOTH THROUGH OUR WIDER ECONOMIC POLICIES AND THROUGH ENCOURAGING INVESTMENT IN DEPRIVED AREAS. IT IS PART OF THE TASK OF BOTH CENTRAL AND LOCAL GOVERNMENT TO CREATE A CLIMATE IN WHICH THE PRIVATE SECTOR FEELS ABLE TO INVEST. WE HOPE THE PRIVATE SECTOR WILL EXAMINE WITH ENTHUSIASM THE SCOPE FOR INVESTMENT IN AREAS CURRENTLY NEGLECTED. WE WANT TO SEE IT INVOLVED FROM THE OUTSET IN NEW URBAN REGENERATION INITIATIVES. THERE ARE OPPORTUNITIES FOR INVESTMENT WHICH WOULD BE BOTH OF BENEFIT TO THE PRIVATE SECTOR AS WELL AS MAKING A MAJOR CONTRIBUTION TO THE ECONOMIC AND SOCIAL REGENERATION OF THESE AREAS.

FOR THE GOVERNMENT'S PART, THERE IS IN PLACE IN SCOTLAND A STRONG ARRAY OF INSTRUMENTS TO PURSUE URBAN RENEWAL. SOME £500 MILLION WILL BE SPENT ON URBAN RENEWAL IN SCOTLAND IN 1988-89, OVER AND ABOVE LOCAL AUTHORITY SPENDING. THE SDA IS USING ITS COMPREHENSIVE POWERS IN MANY PLACES. LAST YEAR IT SPENT £62 MILLION ON URBAN RENEWAL. URBAN RENEWAL IS A MAJOR PRIORITY IN ITS CORPORATE PLAN OVER THE NEXT FEW YEARS. THE URBAN PROGRAMME WILL SPEND £44 MILLION THIS YEAR, AN INCREASE OF £6.4 MILLION. WE ARE ANNOUNCING TODAY APPROVAL OF 225 URBAN PROGRAMME PROJECTS WORTH £8.9 MILLION. SCOTTISH HOMES IS SOON TO BE CREATED AS A NEW AND IMPORTANT HOUSING AGENCY WHICH WILL WORK ALONGSIDE THE SDA IN PURSUING URBAN REGENERATION. IT WILL BUILD ON THE EXPERTISE OF THE HOUSING CORPORATION AND THE SSHA, WHO BETWEEN THEM SPEND OVER £125 MILLION PER YEAR ON URBAN RENEWAL AND WHO FULLY SUPPORT THE PROPOSALS I AM ANNOUNCING TODAY. IN ADDITION, WE ARE ANNOUNCING TODAY THAT £25 MILLION IS BEING SPECIFICALLY EARMARKED NEXT YEAR FOR NEW HOUSING-RELATED URBAN REGENERATION INITIATIVES BY THE HOUSING CORPORATION. THIS REPLACES THE ORIGINAL FIGURE OF £12 MILLION REFERRED TO IN PARA 45 OF THE DOCUMENT. AS ANNOUNCED ON FRIDAY, WE HAVE ALSO JUST ISSUED EXTRA HOUSING CAPITAL ALLOCATIONS TO DISTRICT AND ISLANDS COUNCILS TOTALLING £77 MILLION AS A RESULT OF THE POPULARITY OF COUNCIL HOUSE SALES. POLICIES ON

HEALTH AND SOCIAL SERVICES, CRIME, EDUCATION AND TRAINING PROVIDE SPECIAL SUPPORT TO AREAS OF URBAN DEPRIVATION. ENTERPRISE IS TO BE ENCOURAGED THROUGH THE WIDE NETWORK OF ENTERPRISE TRUSTS, THE ENTERPRISE ALLOWANCE SCHEME, TRAINING AND THE NEW RANGE OF REGIONAL ASSISTANCE. THE MSC WILL SPEND SOME £250 MILLION IN URBAN AREAS WHICH WILL CONTRIBUTE TO URBAN RENEWAL.

WITH SO MUCH ALREADY HAPPENING, THE GOVERNMENT'S FIRST AIM IS TO SUSTAIN THE MOMENTUM. BUT THIS IS NOT ENOUGH. OVER THE NEXT 10 YEARS A NEW PRIORITY MUST BE GIVEN TO TACKLING THE PROBLEMS OF THE PERIPHERAL ESTATES. THE GOVERNMENT WILL THEREFORE ESTABLISH A NUMBER OF INITIATIVES, WHICH WILL SIMULTANEOUSLY PURSUE ECONOMIC, ENVIRONMENTAL, HOUSING AND SOCIAL OBJECTIVES, IN PERIPHERAL ESTATES. FOUR MAJOR NEW INITIATIVES WILL BE LOCATED IN CASTLEMILK (GLASGOW), FERGUSLIE PARK (PAISLEY), WESTER HAILES (EDINBURGH) AND WHITFIELD (DUNDEE), SUBJECT TO CONSULTATION WITH THE LOCAL AUTHORITIES AND OTHER BODIES CONCERNED.

PARTNERSHIPS WILL BE REQUIRED FOR TAKING FORWARD THESE INITIATIVES, INVOLVING THE LOCAL COMMUNITY, THE GOVERNMENT, THE SDA, SCOTTISH HOMES, THE LOCAL AUTHORITIES, THE PRIVATE SECTOR, THE HEALTH BOARDS, THE MSC, AND OTHER PUBLIC BODIES. THE SCOTTISH OFFICE WILL INITIATE THE DEVELOPMENT OF SUCH PARTNERSHIPS OVER THE NEXT FEW MONTHS, AND WILL BE RESPONSIBLE FOR STEERING THEIR PROGRESS. MINISTERS WILL BE DIRECTLY INVOLVED. THE GOVERNMENT WILL LOOK TO THE SDA AND, IN DUE COURSE, SCOTTISH HOMES, TO PLAY A LEADING ROLE IN IMPLEMENTING THE INITIATIVES, AND THE INITIATIVES WILL NEED A LOCAL BASE IN THE COMMUNITIES THEMSELVES.

MOREOVER, THE SDA, WITH LOCAL AUTHORITIES, THE HOUSING CORPORATION AND THE PRIVATE SECTOR, HAS PLANS WELL ADVANCED FOR SMALLER SCALE LOCAL INITIATIVES IN PERIPHERAL ESTATES AT BARLANARK (IN EASTERHOUSE, GLASGOW), FORGEWOOD (IN MOTHERWELL) AND TULLOCH (IN PERTH). THESE PILOT INITIATIVES ARE AIMED AT REVITALISING THESE ESTATES THROUGH ACTION ON HOUSING, EMPLOYMENT, AND THE ENVIRONMENT. THE PUBLIC AND

PRIVATE SECTORS WILL CONTRIBUTE AN ESTIMATED £45 MILLION TO THESE SMALLER NEW PILOT INITIATIVES. THE SSHA IN CONSULTATION WITH THE HOUSING CORPORATION ALSO HAS IN HAND AN IMPORTANT HOUSING INITIATIVE IN CASTLEMILK, WHICH WILL COST SEVERAL MILLION POUNDS.

WE EXPECT THESE NEW INITIATIVES WILL MAKE A MAJOR CONTRIBUTION TO TACKLING THE CHARACTERISTIC PROBLEMS OF URBAN DECAY AND WILL SET A PATTERN FOR URBAN REGENERATION IN SCOTLAND INTO THE 1990S. THE WORK OF URBAN RENEWAL IN SCOTLAND, HOWEVER, WILL EXTEND MORE WIDELY THAN THESE OUTLYING ESTATES, AND THE POLICIES WHICH WE HAVE SET OUT ARE AIMED AT BRINGING NEW LIFE TO CITIES AND TOWNS THROUGHOUT SCOTLAND.

PRIME MINISTER

INTERVIEWS WITH BBC TV SCOTLAND AND GRAMPIAN TV AT THE END
OF SCOTTISH TOUR

There will be two television interviews at the end of your visit to the Stakis Earl Grey Hotel, Dundee tomorrow. The interviews will be with BBC TV Scotland and Grampian TV and will take place in the hotel.

BBC TV SCOTLAND will want to ask you:

1. Fords - Could not the Government have played a bigger role in trying to persuade Fords to change their minds about Dundee?
2. Community Charge - Is it not unfair to the large, poor families? Opinion poll has shown that 40 per cent would favour a non-payment campaign.
3. Scottish Assembly - 75 per cent of Scots want some form of Scottish Assembly, with only 10 Conservative MPs in Scotland, would not an Assembly be a better way to reflect the views of the voters?
4. Health - (if there is time) is it fair that hospitals should be forced to put various services out to competitive tendering?

On FORDS you can express deep concern about the loss of the factory to Dundee as it would have provided initially over 400 jobs and could eventually have led to an extra 1,000 jobs being found for the people of Dundee. It was even more disappointing as the Government had spent 18 months convincing Ford that Scotland was the best place in Europe for the factory against fierce competition from, among others, the Republic of Ireland, France and Spain.

Critical to the Ford decision was the single-union agreement and all that was needed was for the whole of the trade union movement to throw its weight behind the Dundee deal once the Government had done its job.

The Government want Ford in Dundee. We are fully committed to the project and all the help, financial and otherwise, previously

on offer is still available. The future of the project hinges on the trade unions putting their house in order. The Government has done all it can do by persuading Ford that Dundee was the place for them. Certain trade unions have to bear a very heavy responsibility for Ford not coming to Dundee and depriving the city of much needed jobs.

On the COMMUNITY CHARGE you can say that the consequences of non-payment are clear. Local authorities would find themselves in a very difficult financial situation, unable to provide decent services for local people. In addition, their non-payment stance would lead to severe financial difficulties for many individuals in Scotland because of the fines they would have to pay for breaking the law.

Following revaluation in Scotland in 1985, the outcry from domestic ratepayers for a change in the system was enormous. The community charge spreads the same local burden much more widely over all the adults who use the services and is much fairer. For those on low incomes there will be the protection of the rebate scheme, and the very poorest will have account taken of the minimum contribution (20 per cent) in the level of the income support which they receive.

On a SCOTTISH ASSEMBLY you can say that devolution was not a major issue at last year's General Election campaign. And a MORI poll published earlier this month showed that only 7 per cent of those interviewed considered devolution to be among the most important issues facing Scotland.

On COMPETITIVE TENDERING IN HOSPITALS you can deplore the action being taken by the trade unions as they are putting their patients in jeopardy. It is affecting patient care in Scotland, both through inadequate levels of cover for certain services and the loss of almost 2,500 operations. The Government's policy of competitive tendering for ancillary services is already providing in England considerable savings which can be used to improve patient care.

GRAMPIAN TELEVISION will also ask you about Fords and some of the above issues.

OTHER POINTS YOU COULD MAKE DURING THE INTERVIEW include:

- you have just opened a new hotel which has provided 130 jobs.
- you announced this afternoon a new £4 million biotechnology venture by Shield Diagnostics to build a 40,000 sq ft complex on the City's Technology Park for research, development and manufacture of medical diagnostic kits. Over the next four years this will provide another 300 new jobs in Dundee.

- The Whitfield Housing Estate in Dundee has been chosen as the location for one of the major new initiatives on urban policy announced by Malcolm Rifkind yesterday. This initiative will tackle economic, social, housing and environmental problems. This is good news for Dundee.
- And earlier today when in Inverclyde you announced a new Enterprise Zone for the area covering about 260 acres of mainly derelict land in Greenock and Port Glasgow. The cost to the Government of developing the zone will be about £25m.
- Dundee is a development area and qualifies for the full range of regional aid. Regional selective assistance offered since May 1979 amounts to £15.7 million, associated with the creation or safeguarding of 4,900 jobs.
- Unemployment in Dundee has fallen by 2.5 per cent in the past year - February to February - from 16.9 per cent to 14.4 per cent.
- The Government has demonstrated its commitment to bringing new life to Scotland's urban areas and a positive and constructive partnership with the private sector and the local communities.

TERRY J PERKS
29 MARCH 1988