

Prime Minister



DEPARTMENT OF INDUSTRY
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FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY
KENNETH BAKER MP

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Stan Thorne Esq MP
House of Commons
LONDON
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13 May 1983

Dear Stan,

At your meeting with the Prime Minister I agreed to look into the points which you made and to write to you.

Since the meeting you have kindly supplied a copy of the report prepared by the Manchester Employment Research Group. I read this with interest together with the information which the company prepared for its employees. Essentially the issues concern commercial judgments and assessments of the likely pattern of demand in the market place. They do not give me grounds upon which to consider intervening in what is essentially a commercial decision by Rockwell. I am satisfied the company have made their decision after careful consideration and whilst I regret the proposed loss of jobs in the short term, I am encouraged by the positive efforts being made to maintain continuing employment at Preston in the future.

You also asked about conditions attached to government support for investment in advanced manufacturing technology. Whilst discussions with companies about investment proposals are confidential for understandable reasons I can say that no financial support was provided towards the CAD facility.

We stand ready to help the company on any possible investment in a flexible manufacturing system, CAD/CAM or the development of new products. These are considered under the standard criteria given in the enclosed leaflets on the relevant schemes and it would not I believe be productive to attach to this support any additional conditions which would hinder innovation and improvements in efficiency-which lead to increased competitiveness and, ultimately, more stable jobs.

MB2/MS2AM



With regard to government support to assist in the market acceptance of the new Head-liner press, I can confirm that officials are discussing this with the company to identify what assistance is possible.

Yours faithfully
Kenneth

KENNETH BAKER

PM : Meeting with Thorne MP : April 83.

7 JUN 1983

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