Prime Minister



cc/PS/Prime Minister
PS/Mr Lamont
Miss Mueller
Mr Dick
Mr Walmsley
Mr Robinson EIEC

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From the Parliamentary Under Secretary of State

Dr David Clark MP House of Commons LONDON SW1A OAA MAN

19 May 1982

Dea Darid,

At the meeting with the Prime Minister on 27 April one of the questions we discussed was the provision by the English Industrial Estates Corporation of small factory units in South Shields.

As you probably know, since the Industry Act 1980 the responsibility for building these factories lies with the Corporation although, of course, the Corporation consults the relevant Regional Director about its development programmes for individual regions. The Corporation also undertakes developments within the Assisted Areas in co-operation with the private sector. All these questions are of course now a matter for EIE's commercial judgement. Thus the best course would be for the Corporation to get in touch with you direct and explain how their plans are being developed. I have asked the Chairman of EIEC to contact you on this point.

I have written to you separately about the approval of the steel and shipbuilding closures.

I understand that John Stanley will be writing to you about points you raised on the Coastal Protection Act and the housing issues. These are, of course, matters for his Department.

I have already sent you a copy of the announcement on the non-quota programme for steel areas. The virtually identical shipbuilding programme which includes Tyneside is also with the Commission and we expect it to be approved very shortly. I will let you know at once when this happens. My Private Secretary was not able to contact you last week following our conversation at the House, but the position on South Tyneside's application is that the current application will stand, and officials from the Department of the Environment in the region will contact the Council as soon as the programme is approved to discuss if any amendments are necessary.

I hope these comments are helpful.

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JOHN MACGREGOR

