

SUBJECT.



10 DOWNING STREET

cc. Master set

From the Private Secretary

8 December 1982

Dear Nicholas

Thank you for your letter to Caroline Stephens of 6 December, and for your briefing for the Prime Minister's meeting with Dr. David Clark M.P. The Prime Minister saw Dr. Clark at 4.50 yesterday afternoon. Your Minister was present.

In the course of a very brief discussion, Dr. Clark said that he realised nothing could be done to reverse the decision taken by F.C. Lowe and Son Limited to close their factory in South Shields with the loss of 95 jobs. He was not particularly impressed by the company's management or performance, and said that he did not have many regrets about its leaving South Shields. However, he was concerned that the company might remove the machinery installed in their factory in South Shields for use in their factory at Louth. The company had been given grants associated with the installation of this machinery, and he felt that these should be repaid if the machinery was to be moved. The Prime Minister assured him that the Government would expect the grants to be repaid in such circumstances.

Dr. Clark also expressed disappointment at the Government's failure to designate an enterprise zone in South Shields. The Secretary of State for the Environment had written to him on 2 December explaining the Government's decision. In this letter, Mr. Heseltine had said that the unemployment rate in South Tyneside was 19.3%, lower than the rate in Middlesbrough where an enterprise zone had been set up. Dr. Clark said that the Department of the Environment were mistaken in thinking that the unemployment rate in South Tyneside was 19.3%. He claimed that this was the figure for South Tyne, and that the figure for South Tyne was different from that for South Tyneside. He produced a document (attached) which showed that the rate of unemployment in South Tyneside was in fact 21.2%, higher than in Middlesbrough. He was very concerned that the Department of the Environment had taken a decision not to designate an enterprise zone in South Shields on the basis of mistaken information. The Prime Minister said that she would ask Mr. Heseltine to look into this.

I should be grateful if Helen Ghosh, to whom I am copying this letter, could arrange for Dr. Clark's allegation to be

/ considered

085

B. | considered, and if she could provide a draft reply for the Prime Minister to send to Dr. Clark by 17 December, if at all possible.

I am also copying this letter to David Saunders (Department of Industry).

*Yours sincerely*

*William Rickett*

N.J. Way, Esq.,  
Ministry of Agriculture, Fisheries and Food.

# Unemployment Figures

Date:- 14 OCTOBER 1982

SOUTH SHIELDS				JARROW & HEBBURN				EAST BOLDON				SOUTH TYNESIDE											
MALE		FEMALE		BOTH		MALE		FEMALE		BOTH		MALE		FEMALE		BOTH							
NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%						
6300	29.1	2184	13.7	8484	22.6	3570	19.5	1296	16.6	4866	18.6	791	25.3	283	21.7	1074	24.2	10661	24.7	3763	15.0	14424	21.2

### Unfilled Vacancies

	EO	CO	BOTH
SOUTH SHIELDS	116	10	126
JARROW & HEBBURN	31	2	33
EAST BOLDON	5		5
SOUTH TYNESIDE	152	12	164

### (b) DISTRIBUTION :

SC ADB CIC PA PA GA DL

IDCH NS (SS)

Dr. D. Clark MP

Mrs. D. Dixon MP



## SECTION THREE

## 10.0 Statistical Appendix

Month	Area	Young Persons <sup>1</sup>		Adults <sup>1</sup>		Total Unemployed	% Rate	School Leavers		Male Unemployed	Male % Rate	Female Unemployed	Female % Rate	Unfilled Vacancies
		Boys	Girls	Males	Females			Boys	Girls					
July 1982	S Shields	1348	1213	4915	1376	8852	23.6	813	784	6263	28.9	2589	16.3	130
	J/Hebburn	704	610	3030	867	5211	19.9	390	349	3734	20.4	1477	18.9	28
	E Boldon	63	69	664	200	996	22.5	-	-	727	23.3	269	20.6	3
	S Tyneside	2115	1892	8609	2443	15059	22.1	1203	1133	10724	24.9	4335	17.3	161
August 1982	S Shields					9249	24.6	812	748	6573	30.3	2676	16.8	130
	J/Hebburn					5372	20.6	419	343	3865	21.1	1507	19.3	22
	E Boldon					1024	23.1	-	-	749	24.0	275	21.1	2
	S. Tyneside					15645	23.0	1231	1091	11187	25.9	4458	17.8	154
Sept 1982	S Shields					9123	24.3	709	660	6483	29.9	2640	16.6	135
	J/Hebburn					5309	20.3	319	318	3784	20.7	1525	19.5	20
	E Boldon					1092	24.6	-	-	804	25.7	288	22.1	3
	S Tyneside					15524	22.8	1028	978	11071	25.7	4453	17.8	158
Quarterly Averages														
3rd 1981	S Tyneside	*	*	*	*	14343	21.0	923**	967**	10242	23.8	4101	16.4	116
4th 1981	S Tyneside	1336	1275	8506	2454	13591	19.9	357	460	9956	23.1	3635	14.5	130
1st 1982	S Tyneside	1375	1135	9007	2424	13541	19.9	298	328	10034	23.3	3507	14.0	137
2nd 1982	S Tyneside	1247	1105	8960	2544	13964	20.5	527	478	10280	23.9	3684	14.7	206
3rd 1982	S Tyneside	2115	1892	8609	2443	15409	22.6	1154	1067	10994	25.5	4415	17.6	158

## NOTES

- Separate figures for young persons and adults are only available in the first month of each quarter. The quarterly averages shown in these columns are therefore merely the true figures for these months, and do not add up to the quarterly average shown for the total unemployed, male and female unemployed
- \* Figures not available due to Civil Servants' dispute
- \*\* These quarterly averages are the average of August and September only. Because the unemployment peak is usually reached in July the true quarterly averages should probably be higher