



CONFIDENTIAL

 cc/jr  
 Prime Minister (2)

To note.

Mus a/3

PRIME MINISTER

THE WEST MIDLANDS

I know that you are as concerned as I am at the serious industrial and economic decline in the West Midlands. Under the current criteria for Assisted Area status, most of the region would now qualify; indeed, Telford where the January unemployment rate was 20.6% would qualify as a Special Development Area. In his minute of 24 February, however, the Chancellor of the Exchequer sent you the first thoughts of MISC 14 on the review of regional economic policy and explained that it would not be consistent with the Government's regional policy to increase the coverage of the assisted areas so substantially at this moment. At the meeting of MISC 14, I indicated that I had one or two initiatives open to me under national schemes for industrial support and that I was putting together a modest package aimed at increasing substantially the take-up of the schemes by West Midlands Industry.

2 The CBI in the West Midlands region has been very statesman-like in handling the issue of Assisted Area status and with the blessing of the CBI nationally has been working on a proposal to set up a regional co-ordinating body to promote (but not to finance) industrial and commercial developments in the region of a self-help basis. I think this is an encouraging development and I have asked my officials to give them such advice and help



CONFIDENTIAL

as they can in getting the support of the Chambers of Commerce and all the local authorities in the region; however, the CBI have probably under-estimated the difficulty of getting all the local authorities to pull together given the extent to which they are increasingly doing their own thing in promoting job creation and seeking to attract new investment. If an association is established to carry out an effective role in the promotion of the region overseas, in a co-ordinated way incremental to the promotional effort which is undertaken on behalf of the UK as a whole, I would be prepared to provide some modest grant in aid, on a matching basis, of the kind now provided to associations in the Assisted Area regions. This possibility may be helpful in getting the various representative bodies to work together, and strong participation by industry would be a valuable plus factor.

3 The CBI and Chambers of Commerce are both anxious to collaborate with my Department in promoting our national schemes of assistance within the region. The schemes **I** have at my disposal include in particular a range of advisory services, the Department's technology awareness programmes and a variety of schemes providing grants for innovation. Hitherto, no special effort has been made to market these schemes in the West Midlands and it is a fact that the take-up by firms in the region does not in my view adequately reflect the extent to which they could help industry to grapple with the effects of the recession. In my view, a special effort is necessary and to achieve this, I am



CONFIDENTIAL

setting up, at the Department's West Midlands Regional Office, a "team for innovation". I am recruiting an industrial adviser who will head up the team. The team's main objective will be to promote the adoption of new technology and the growth of new industries by increased take-up of the help available under the Department's schemes.

4 I have also asked English Industrial Estates to investigate the industrial and commercial property market in the West Midlands and report to me if they identify any needs for the economic development of the region, especially in relation to high technology industry and small businesses which private sector developers are unwilling or unable to undertake. If necessary I will ask them to undertake development in the region even though it is not an Assisted Area.

5 I hope that the campaign can be fully underway by May and I propose to announce it just after Budget day. At the same time, it is important that we do not seek to claim too much for these proposals. Their merit is that they fit in well with the needs of the region and with the commitment of both the CBI and the Chambers of Commerce to the principle of self-help.

6 I am copying this minute to the Chancellor, the Secretaries of State for Foreign and Commonwealth Affairs, Education and



CONFIDENTIAL

Science, Northern Ireland, Scotland, Wales, Employment and Environment, the Minister of Agriculture, Fisheries and Food, the Chief Secretary, Sir Robert Armstrong and Mr Sparrow.

PT

P J

9 March 1983

Department of Industry  
Ashdown House  
123 Victoria Street  
London  
SW1E 6RB

CONFIDENTIAL



FILE Reg SW  
bcc: J.V. Pet

10 DOWNING STREET

*From the Private Secretary*

9 March, 1983

The West Midlands

The Prime Minister has noted without comment your Secretary of State's minute of 9 March about the West Midlands.

I am sending copies of this letter to the Private Secretaries of the Chancellor of the Exchequer, the Secretaries of State for Foreign and Commonwealth Affairs, Education and Science, Northern Ireland, Scotland, Wales, Employment and the Environment, the Minister of Agriculture, Fisheries and Food, the Chief Secretary, Sir Robert Armstrong and Mr. Sparrow.

M. C. SCHOLAR

Jonathan Spencer, Esq.,  
Department of Industry

CONFIDENTIAL

Prime Minister

You may like to see.  
"Minister for the West Midlands" is clearly  
a title invented by the press.

MR. BUTLER

PERB  
11.4.

You asked about the status of the announcement that John Butcher was to be the "Minister for the West Midlands". As you will see from the attached minute from the Secretary of State for Industry, he informed the Prime Minister of the special West Midlands measures which he announced in his speech during the Budget debate. That speech (copy of the relevant portion attached) referred to the fact that Mr. Jenkin had invited Mr. Butcher to take charge of these measures. This clearly was simply an allocation of duties within the Department of Industry (and therefore within the prerogative of the Secretary of State) rather than an official title along the lines of, for example, Minister for Information Technology.

11 April 1983

Handwritten initials or mark.

Handwritten signature or mark.

- SS / BUT unable to do 30/3.  
- offered 11/4 as reset suitable date (1600) but 602 is going to use for 2 wks.  
- check with CS if mtg. can wait until then. PE.

PRIME MINISTER

THE WEST MIDLANDS

1. Herewith Patrick Jenkin's Minute to you dated 9th March, and Peter Walker's Minute dated 15th March.
2. I have asked Cecil Parkinson to follow up the point which Peter makes in the second paragraph of his Minute.
3. As you know, Patrick has recently appointed John Butcher as Minister with special responsibility for the West Midlands.
4. Do you agree that we should now have a meeting at which the following would be present:-

- Patrick Jenkin
- Peter Walker
- Geoffrey Howe
- Cecil Parkinson
- John Butcher

Yes no

1/2"

25.3.83

30th  
IAN GOW

offer 1500 on wednesday or any time after



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON S.W.1

*Mr Goo*

*Yours, I think*

15 March 1983

PRIME MINISTER

*MLL 15/3*

I have seen Patrick Jenkin's minute to you of 9 March on the West Midlands. When you have a moment I would like to come, and discuss with you the manner in which I now believe we should present the whole case of the West Midlands. Certainly some substantial initiatives need to be taken over the next few months so as to start to remedy the present atmosphere, and I believe this has got to be organised almost on a constituency by constituency basis.

When we last met you suggested a briefing in campaign methods for our members from marginal seats. I would naturally be delighted to do this whenever you wish the arrangements to be made.

*PLW*

PETER WALKER

(dictated by the  
Minister and  
signed in his absence)



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON S.W.1

*Mr Gow*

*Yours, I think.*

15 March 1983

PRIME MINISTER

*MUS 15/3*

I have seen Patrick Jenkin's minute to you of 9 March on the West Midlands. When you have a moment I would like to come and discuss with you the manner in which I now believe we should present the whole case of the West Midlands. Certainly some substantial initiatives need to be taken over the next few months so as to start to remedy the present atmosphere, and I believe this has got to be organised almost on a constituency by constituency basis.

When we last met you suggested a briefing in campaign methods for our members from marginal seats. I would naturally be delighted to do this whenever you wish the arrangements to be made.

*SLD*

PETER WALKER

*(dictated by the  
Minister and  
signed in his absence)*

Regions for Review Pt 5

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON W1

10.5 MAR 1983



Printed in Great Britain

Mr. Douglas Jay (Battersea, North): Why, after all these wonderful schemes, are there still nearly 4 million people unemployed?

Mr. Jenkin: Perhaps the right hon. Gentleman can wait until I deal with bankruptcies. These measures are necessary to enhance competitiveness so that industry can win back customers and rebuild jobs. If the right hon. Gentleman, whom I greatly respect as a senior Member of the House, cannot see that, I am sorry for him. That is at the heart of what we are trying to do.

It is interesting to note that the west midlands gets about twice as much SEFIS support per head of population as the national average. By reopening the scheme and allocating no less than £100 million to it—four times as much as was allocated to SEFIS 1—we shall bring substantial help to the west midlands especially, as well as to small engineering firms in general.

There is no doubt that industry in the west midlands has suffered grievously in the recession. The reasons for that are deep and complex, the roots going back many years. West midlanders are rightly proud of their skills as metal bashers. They have an innate skill in handling metal to which industrialists in the area often refer. Of course there is a future for those industries, but many firms there need to modernise their plant, design new products and seek new markets. Moreover, the west midlands must broaden its industrial base.

It was disappointing to realise that relatively few firms in the region applied for the various forms of assistance under our support for innovation scheme. The reintroduction of SEFIS, and the additional help that the rest of my right hon. and learned Friend's innovation package makes

possible, enables me to announce a new initiative to encourage more innovation in the west midlands. I am setting up a special team, to be called a team for innovation, in the west midlands regional office of the Department of Industry. Its purpose will be to help and to encourage firms in the west midlands to make the fullest use of all the national schemes of support for industry. The CBI in the west midlands is considering plans to co-ordinate and to promote industrial and commercial development in the region on a self-help basis. I hope that the CBI, the chambers of commerce and the local authorities will come together in a partnership to achieve this. I have asked my officials to give them as much help as they can.

I shall be ready to consider providing a modest grant-in-aid for the promotion of the region overseas, in co-ordination with the Invest in Britain Bureau in my Department. The CBI has called for firms in the region to make greater use of the Government's schemes, and I know that that organisation will wish to co-operate to the full with the innovation team. I am recruiting a senior industrial adviser to head the team and I am asking my hon. Friend the Under-Secretary of State—the hon. Member for Coventry, South-West (Mr. Butcher)—to take charge of this work. Under our support schemes for innovation in addition to SEFIS, a wide variety of help is available for the development and introduction of new technology, new processes and new products. That is what the west midlands needs, and by making a special effort to bring this to the attention of local businesses I hope that we shall see a much greater take-up of the schemes and, with it, a revival of the fortunes of manufacturing industry in the region.

HANSARD

21.3.83

COL 554-555



10 DOWNING STREET

CF

West Midlands

This is a political  
meeting ~~other~~  
~~has~~ arranged  
for 11.00 on  
Monday 25 April.  
ask can if any  
further papers.

cf.

31/3

CAROLINE



This can  
wait - but  
as soon  
as possible.

10 DOWNING STREET PLEASE.

~~Caroline~~  
—

~~Law~~  
? ~~Tim~~  
Cl.

- SOS! DOI are unable  
to do 30/3 (also  
w/ Bantzle). I suggested  
1600 on 11/4 but  
Jenkins departs for USA  
on that day.

- Is it necessary to SOS  
DOI (despite his min. of  
9/3) or can the mtg.  
be delayed until he  
returns from USA Peter 28/3