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Treasury Chambers, Parliament Street, SW1P 3AG 01-233 3000

PRIME MINISTER

THE WEST MIDLANDS

I welcome the initiatives which Patrick Jenkin reports in his minute of 9 March. They are modest measures, as he says, but I agree that they could be useful steps within the limits set by his present powers and ceilings on cash and manpower. They will be re-inforced by the re-opening of the Small Engineering Firms Investment Scheme (SEFIS) which I shall announce tomorrow, emphasising that it will be of special benefit to the West Midlands with its high concentration of eligible firms.

- 2. I agree with our colleagues on MISC 14 that it would be unwise for us to think in terms of designating the West Midlands an Assisted Area. But its problems strengthen the case for pressing on with a reform of regional policy in which the changing pattern of needs can be reflected in a new and defensible structure of regional assistance. MISC 14 will be meeting again to carry this work forward on 24 March.
- 3. I am sending copies of this minute to the Secretaries of State for Foreign & Commonwealth Affairs, Education & Science, Industry, Northern Ireland, Scotland, Wales, Employment and the Environment, the Minister of Agriculture Fisheries and Food, Sir Robert Armstrong and Mr Sparrow.

(G.H.)

14 March 1983

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