



Continue when please?

Prime Minister (1)

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref: H/PSO/16084/82
Your ref:

Will have to do one such meeting not

Are you prepared
to have a meeting with
these people?

10 September 82

MUS 14/9

Dear Tim

(2) I can manage it but not until mid-October. But how much will you get out of it? And it is likely to be awkward. cf.

CONSTRUCTION INDUSTRY: GROUP OF EIGHT

You asked in your letter of 26 August for advice on a reply to the request from the Group of Eight for a meeting with the Prime Minister. The Group of course represents the main channel of communication between the Government and the construction industry and includes all the major employer interests in the industry together with representatives of the two main unions concerned. The Group had one meeting during the last Parliament with the previous Prime Minister.

The Secretary of State's advice is if the Prime Minister is able to make the time available, it would be very helpful if she could give the Group of Eight one meeting during this Parliament. Construction is a large part of our industrial base (one-fifth of industrial production) and its leaders are, by and large, natural sympathisers with the Government's objectives. It also includes a great many firms and individuals that are amongst the most robust supporters of the Government's private enterprise and home-ownership policies. Though the two union members of the Group would be predictably critical of the Government the representatives of the employers' organisations would respond positively to a message from the Prime Minister that the economic strategy is yielding beneficial results.

Alternatively, if she is unable to make time available for a meeting, rather than turn down the request, she might wish to suggest that the Chancellor give them a second hearing. The Group have had one previous meeting with the Chancellor last December.

*Yours sincerely,
Helen Ghosh*

MRS H GHOSH
Private Secretary

Timothy Flesher Esq

Alan.
CF - how you?



28
a HNT

including
awaited from DOE - see pps. 1/4/10
10 DOWNING STREET

From the Private Secretary

1 October 1982

I have been asked to thank you for your letter of 8 September to the Prime Minister and to reply on her behalf.

As you know the Prime Minister has agreed to meet the Group of Eight on 15 October. The Prime Minister looks forward to discussing with you and your colleagues the points which you raised in your letter.

T. FLESHER

G.M. Fordy, Esq.

16



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

30 September 1982

Michael Scholar Esq.
10 Downing Street
LONDON
SW1

Dear Michael,

F J
signature
IT

I attach a draft reply for you to send to Mr Fordy, President of the National Federation of Building Trades Employers. The letter pre-dates the Prime Minister's decision to meet with the Group of Eight and Mr Fordy's letter has been interpreted here as an attempt to reinforce the need for that meeting. So we suggest that the best form of reply is for you to say that the points made in Mr Fordy's letter will be taken up at that meeting. I understand that DOE will be providing the briefing.

Copies of this letter go to Helen Ghosh at the Department of the Environment.

Yours sincerely,
Jill Rutter

JILL RUTTER
Private Secretary

DRAFT LETTER FROM PRIME MINISTER'S PRIVATE SECRETARY TO:

G M Fordy Esq
President
The National Federation of Building
Trades Employers
82 New Cavendish Street
LONDON W1M 8AD

I have been asked to thank you for your letter of 8 September to the Prime Minister and to reply on her behalf.

As you know the Prime Minister has agreed to meet the Group of Eight on 15 October. The Prime Minister looks forward to discussing with you and your colleagues the points which you raised in your letter.

① ^{ex.} Carlane
To note
② CP to check met
Prime Minister / Press

Royal Institute of British Architects 66 Portland Place London W1N 4AD ☎ 01-580 5533

From the Secretary's Office

30 September 1982

PKH/CAN

have requested briefing - met.
briefing requested by 8/10/82

Michael Scholar, Esq.,
Private Secretary to the Prime Minister,
10 Downing Street,
London SW1.

Mes 1/10

Dear Scholar

I am writing on behalf of the Group of Eight in reply to your letter of 16 September 1982 and in confirmation of my telephone conversation with Mr Flesher on 27 September to say that the Group will be able to meet the Prime Minister on Friday 15 October 1982 at 10.00 am.

The Group will comprise:

- Mr Philip Beck
- Mr Ian Campbell
- Mr Malcolm Fordy
- Mr George Henderson
- Mr Paul Hyde-Thomson
- Mr Owen Luder
- Mr Roy Swanston
- Mr Les Wood

and I will be in attendance on behalf of the Group's joint secretariat.

Yours truly
P K Harrison

P.K. Harrison
Secretary



£1 OCT 1982





he sw
pm

10 DOWNING STREET

From the Private Secretary

16 September, 1982

Meeting now confirmed
by Group of Eight
JH
27/9

Thank you for your letter of 10 September to Timothy Flesher about the proposal that the Prime Minister should meet the Group of Eight about the construction industry.

The Prime Minister has agreed to see them on Friday, 15 October and I should be grateful if you would let me have a brief for the meeting by close of business on Friday, 8 October.

I am sending a copy of this letter to Jill Rutter (Treasury).

M. C. SCHOLAR

Mrs. Helen Ghosh,
Department of the Environment



→ GR/CF
4/10/99

10 DOWNING STREET

MUS 15/9

Michael. R. Jones

10.00 - 11.00
on Friday 15
October. Can
you please
copy from
now on.

cf.

15/9.



10 DOWNING STREET

From the Private Secretary

16 September, 1982

I am writing on behalf of the Prime Minister to thank you for your letter of 25 August, in which you sought a meeting with her about the construction industry. The Prime Minister will be delighted to see you. I am afraid that the great pressures on her diary make it impossible that she should see you in September. May I suggest that the meeting be on Friday, 15 October at 1000 hours? I should be grateful if you would let me know whether that is convenient to you.

M. C. SCHOLAR

John Bartlett, Esq.
Malcolm Fordy, Esq.
George Henderson, Esq.
Paul Hyde-Thomson, Esq.
Owen Luder, Esq.
Leslie Sallabank, Esq.
Roy Swanston, Esq.
Les Wood, Esq.

K

①27/9

vb

G. M. FORDY
24/9

coming 27/9
chase on 27/9

chased again on 29/9
ringing back.

Coming tomorrow (30/9)

10 September 1982

I attach a copy of a further letter the Prime Minister has received from Mr. G.M. Fordy, President of the National Federation of Building Trades Employers.

I should be grateful if you could provide a draft reply for Private Secretary signature and if this could reach us by Friday 24 September.

I am sending a copy of this letter and the enclosure to Helen Ghosh (Department of the Environment).

(SGD) MICHAEL SCHOLAR

Miss Jill Rutter,
H.M. Treasury.

13

10 September 1982

I am writing on behalf of the Prime Minister to acknowledge your further letter to her of 8 September. This is receiving attention and a reply will be sent to you as soon as possible.

MCS

G.M. Fordy, Esq.

S

CP/GR M w/ you look out for me

a letter from

MIKE (in absence of Tim)

I have had a call this morning from Jamie Stevenson, President's Office of Nat. Fed. Bldg. Trades Employers re: the report on page 14 of The Guardian today. The President is most concerned about this report "Builders Attack Thatcher" and the Guardian are incorrect in stating that a letter has been sent to the Prime Minister along these lines. (Apparently a PRIVATE letter was sent over yesterday but certainly not attacking...). Would you please give Jamie Stevenson a ring 580 5588 sometime today ?

Goj

9.9.82

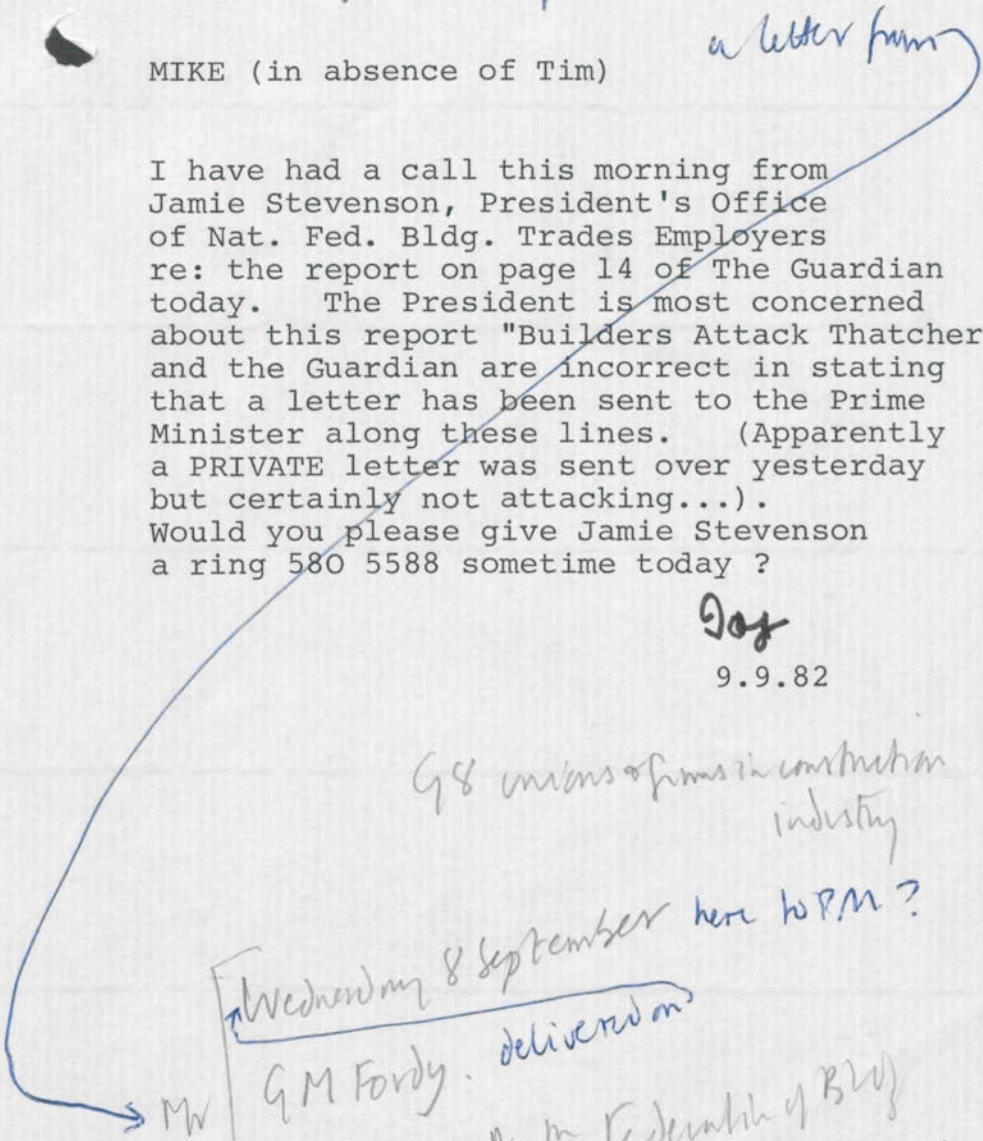
98 unions of firms in construction industry

Wednesday 8 September here to P.M. ?

G M Fordy. delivered on

Natn Federation of Bldg Trades Employers

pl meet 98





National Federation of Building Trades Employers

News Release

Contact: Alan Hughes - 01-580 5588 (Home: Horsham [0403] 52485)
For publication: 00.01hrs, THURSDAY, SEPTEMBER 9

SCOPE FOR CONSTRUCTION INVESTMENT

The more optimistic trading prospect for the construction industry identified by the Prime Minister recently has not been borne out across the great bulk of the industry, Malcolm Fordy, President of the National Federation of Building Trades Employers says in a statement today (Thursday, September 9).

"NFBTE's view is that workload prospects for the construction industry have, at best, flattened out at their exceptionally low levels," Mr. Fordy says.

"So, while the steady reduction in inflation and recent falls in interest rates - although these remain unacceptably high - benefit my industry, I remain convinced that there is scope within public expenditure plans for a modest increase in construction capital investment programmes without the risk of reversing the downward trend in inflation.

"My Federation will therefore be continuing its representations to Government with this objective in view."

/.....



NOTE TO EDITORS:-

Mr. Fordy wrote an open letter to the Prime Minister at the time of the NFBTE's July State of Trade Enquiry and I am attaching a copy of this together with the Prime Minister's response, for your information.



FOUNDED 23rd JANUARY 1878

*The National Federation of
Building Trades Employers*

FROM THE PRESIDENT

GMF/LP

Rt. Hon. Margaret Thatcher MP
10 Downing Street
London SW1

82 NEW CAVENDISH STREET
LONDON W1M 8AD

01-580 5588

*R9/a
by hand*

PS

*APS/Tsy cc DoE
for pte secty reply*

8 September 1982 *MUS*

Joe Penn. Brewster

Thank you for your letter of 11 August in reply to my earlier letter about the depressed state of the industry. I greatly welcome your appreciation of the particular difficulties which we face in this recession, but I would like to see the Government turn this concern into some positive action.

Although we shall be releasing your letter with a short factual statement on the state of the industry, I think you would agree that any further public exchange of letters between us would not be helpful. I am therefore writing to you now in a strictly private and personal vein to convey, I hope, just how strongly so many of my members feel, not just about their own firms' undoubtedly tough prospects, but even more so about the large and almost irreparable decline in the employment opportunities, apprentice intakes and skilled labour capacity which our industry can now offer.

We are delighted that interest rates are falling, although our borrowing costs are still much too high. There have, as you say, been some encouraging statistics in certain areas, particularly private housebuilding in the first quarter of this year, but these frankly are the exceptions to what is generally a stagnant overall picture for new orders and enquiries throughout the majority of the industry.

When I look beyond these few selected statistics at what is actually happening amongst building firms throughout the country outside London, I do assure you that I see few, if any, signs whatsoever of the general recovery and confidence which you are expecting. I am not exaggerating when I say that the industry now faces an acute crisis which can largely be attributed to the direct impact of capital expenditure cuts from the public programme.

.../

Between 1979 and 1981 it was builders who primarily suffered from the concentration of the public expenditure cuts on capital programmes. Large numbers of permanent "real" jobs and skilled tradesmen were lost to the industry in that period. Our members then saw vast amounts of public resources being urgently pumped into short-term, current expenditure projects to create artificial jobs and keep down the headline unemployment figures which those original capital cuts had boosted. This is not the policy for investment, for enterprise and for small business which we supported in the last General Election.

The Government has encouraged new firms to start up, whilst at the same time effectively putting sound builders out of business through these capital cutbacks. Equally your efforts to promote youth employment are being nullified by the redundancies which the capital cuts have caused among young people already serving apprenticeships. I hope that this autumn you will look seriously again at your public expenditure priorities. Your Budget measures, although welcome, need to be substantially reinforced if a significant impact is to be made upon the bleak prospects facing many thousands of medium-sized and smaller building firms.

I do hope therefore that you will accede to the recent request from the "Group of Eight" for a meeting and give my colleagues and myself on the Group the opportunity of developing these points personally with you. As you know, the Group represents all construction interests and is recognised as the prime channel of communication between Government and the industry.

I have expressed my observations strongly and honestly in this letter, but from the standpoint of one who shares your fundamental aims of encouraging a free enterprise, energetic society geared to creating rather than squabbling over wealth and who actively supports the Conservative Party and the principles which it represents. I do not want our industry to be artificially insulated from the recession but I do think that you could be flexible in tilting the balance of public expenditure more towards capital expenditure on construction, without sacrificing your underlying objectives of squeezing out inflation and restoring incentives for enterprise.

Tom Lucas.
Nathan Fordy

G.M. Fordy

John BARTLETT

9/9

JD



file

10 DOWNING STREET

From the Private Secretary

26 August, 1982.

I enclose a copy of a letter addressed to the Prime Minister from Mr. John Bartlett of the Group of Eight, Royal Institute of British Architects.

I should be grateful if you would let me have the draft of a reply the Prime Minister might send to Mr. Bartlett by 9 September please.

A copy of this letter and enclosure go to David Saunders (Department of Industry).

Timothy Flesher

Mrs. Helen Ghosh,
Department of the Environment.

R/C

BD

File



10 DOWNING STREET

From the Private Secretary

26 August, 1982.

I write on behalf of the Prime Minister to thank you for your letter of 25 August.

This is receiving attention, and a reply will be sent to you as soon as possible.

Timothy Flesher

John Bartlett, Esq.

File



cc Press
Office

Royal Institute of British Architects 66 Portland Place London W1N 4AD ☎ 01-580 5533

25 August 1982

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HG(DOE)PM

CC DS(DOI)

The Rt Hon. Margaret Thatcher, MP,
Prime Minister,
10 Downing Street,
London SW1.

Dear Prime Minister,

We write as the Group of Eight, representing employers, operatives, professionals and manufacturers in the construction industry, asking you to meet us in September about the part in the economy our industry should be playing.

The Secretary of State for the Environment has made the Group his principal channel of contact with the industry at the strategic level. We meet him regularly and believe he understands our views. We met the Chancellor last December: from his Budget speech it is clear he recognises the importance of the construction industry to the economy and employment but the Budget itself did little to harness the under-used resources of the industry as a whole.

In September you will be considering with your Cabinet colleagues the extent and character of public expenditure for the next financial year. We think it vital you should hear from us at first hand how the construction industry can contribute to the revival of confidence, to the stimulation of private investment, to the rapid relief of unemployment and to economic recovery.

We hope you will agree to see us.

A copy of this letter goes to Michael Heseltine as our sponsoring minister.

Yours sincerely,

John V. Bartlett
John Bartlett

Owen Luder
Owen Luder

Malcolm Fordy
Malcolm Fordy

Leslie Sallabank

George Henderson
George Henderson

Roy Swanston
Roy Swanston

Paul Hyde-Thomson
Paul Hyde-Thomson

Les Wood
Les Wood

Les Wood

JOHN BARTLETT
Senior Vice President
Institution of Civil Engineers

MALCOLM FORDY
President
National Federation of Building Trades Employers

GEORGE HENDERSON
National Secretary, Building Crafts Section
Transport & General Workers Union

PAUL HYDE-THOMSON
President
National Council of Building Material Producers

OWEN LUDER
President
Royal Institute of British Architects

LESLIE SALLABANK
Chairman
Federation of Civil Engineering Contractors

ROY SWANSTON
President QS Division
Royal Institution of Chartered Surveyors

LES WOOD
General Secretary
Union of Construction, Allied Trades & Technicians