



THE MINISTER OF STATE  
RT HON HAMISH GRAY MP

DEPARTMENT OF ENERGY  
THAMES HOUSE SOUTH  
MILLBANK  
LONDON SW1P 4QJ

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James Slater Esq  
Martin Black Limited  
Speedwell Works  
Coatbridge  
ML5 4RS

10<sup>th</sup> November 1982

*James Slater*

Thank you for your letter of 28 October. I have carefully considered what you have said, but do not think that there is anything I can usefully add to my earlier letter to you of 3 September. Trade policy is a matter for the Department of Trade and I can only suggest that you take up your request for control of wire rope dumping with that Department. I assure you that the Offshore Supplies Office of my Department will do their best to assist you whenever possible.

*Yours sincerely,*

*Hamish Gray*

DEPARTMENT OF ENERGY  
Offshore Supplies Office  
Alhambra House  
45 Waterloo Street  
Glasgow G2 6AS  
Telegraphic Address: Offshore Glasgow  
Telephone 041-221 8777 ext 374

Mr J Slater  
Martin-Black PLC  
Speedwell Works  
COATBRIDGE  
ML5 4RS

your reference

our reference

date 1 December 1982

Dear Mr Slater

I have been asked to reply to your letter dated 17 November to the Minister of State.

The Minister has asked me to meet your company to discuss how the Offshore Supplies Office might help you in competing for business in the offshore markets. The meeting could be either at our Glasgow office or your works in Coatbridge. Perhaps your secretary could telephone to arrange a suitable date.

Yours sincerely

*W E Allison*  
W E ALLISON

Wed / Thurs

Fri 10.00

Our Ref: JS/JMJ

17th November, 1982.

Rt Hon. Hamish Gray MP,  
Department of Energy,  
Thames House South,  
Millbank,  
LONDON,  
SW1P 4QJ

Dear Mr. Gray,

Thank you for your letter of 10th November.

As you suggest, I will follow up the matter of wire rope dumping with the Department of Trade although as I indicated in my previous letter, I do so without much hope.

I would like, however, to take up your offer of assistance from the Offshore Supplies Office with regards to the enclosed Press Release. You will note that this highlights our success in delivering the first part of a 630 tonne mooring line order for Cammell Laird. However, it is the second part of our Release which causes our Company concern.

We have already lost out on a 400 tonne order for the supply of large diameter cable laid slings to the Beryl B Project to Continental manufacturers when we believe we were competitive.

We have recently tendered for a further 300 tonnes of large diameter cable laid slings for the British Gas Council's Rough Storage Project. In this case we believe the barge operators accept our Maklok slings (they have already used them elsewhere) but it has been indicated by the project management Contractor that they prefer traditional hand spliced slings, although from our recent experience the only competitive slings pricewise to our Maklok slings will again be from the Continent.

In the course of the next months, enquiries for large diameter cable laid slings for the Morecambe Bay project will be issued for delivery towards the end of 1983 through 1984. In this case the European construction contractor who was connected with the Beryl B Project is once again involved, so our fear is that yet a further 300 - 400 tonnes of business could go to the Continent.

By/...

17th November, 1982.

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By our ingenuity we have been able to produce slings 80% to 85% of the weight of the traditional hand spliced slings so that we are more competitive than other U.K. manufacturers and we overcome the Continental 'dumped' rope price. At the same time our slings are more efficient, more precise in measurement, approved by Lloyds and approved by The Health & Safety Executive, which one would have thought would have been acceptable to the Contractors, but this would not appear to be the case in the North Sea.

The enclosed article highlights Maklok slings' successful use in Spain. We supplied 64 slings for use in Brazil in September 1981 with a further 28 requested by the Brazil Contractors in February of this year. Maklok slings are in use in Singapore, the Middle East, and about to be used offshore of West Africa but still we cannot get them into the North Sea - our own back yard.

If the Offshore Supply Office can shed some light on how we failed to get the slings for the Beryl B Project and if they could ensure we get a 'fair chance' to supply the Rough Storage Project and The Morecambe Bay Project, this would be much appreciated.

Yours sincerely,

James Slater,  
Director  
MARTIN-BLACK PLC

Our Ref. JS/JD

28th October, 1982.

Rt. Hon. Hamish Gray, MP,  
Department of Energy,  
Thames House South,  
Millbank,  
LONDON.  
SW1P 4QJ

Dear Mr. Gray,

I must apologise for not acknowledging your letter of 3rd September before now.

Your suggestion of contacting Offshore Supplies and the Department of Trade has previously been recommended to me by others. My discussions with both Departments persuaded me that neither can help. The procedures with regard to dumping are so geared as to discourage an individual company from benefiting from them.

From recent newspaper reports it is clear that our company is not alone in expressing concern about steel imports, and I strongly urge you to join those of your colleagues who share our view and are advocating some form of control.

Time is running out, and I would ask you to re-read the fifth paragraph of the third page of my letter of 22nd July. Decisions are being forced on companies to survive in the short-term which are going to have serious effects on the ability of British Industry in the long-term.

Yours sincerely,

James Slater,  
Director.

# Pressure stepped up for steel import cuts

BY KEVIN BROWN

MR PATRICK JENKIN, the Industry Secretary, came under renewed pressure in the Commons yesterday for swift action to cut steel imports.

Faced with persistent calls to help the British Steel Corporation, which is losing £7.2m a week, Mr Jenkin refused to give a guarantee that no more plants or jobs would be axed.

But he warned that the Government would not allow EEC countries to take advantage of declining UK production.

The call for controls was led by Mr Teddy Taylor (Con-Southend East) backed by Mr Barry Jones (Lab Flint) who said that unless the industry was protected the sacrifices of the steel towns in accepting closures would be in vain.

Mr Jenkin, who said the cuts had been necessary to restore the industry to health, said that at 28 per cent of the market, import penetration was less than in France (43 per cent) and West Germany (35 per cent).

Mr Jenkin came under angry pressure from Conservative MP Mr Michael Brown, from the steel-making constituency of Brigg and Scunthorpe, who warned that unless imports were stopped the industry's sacrifice would come to nothing "because the steel industry will no longer exist."

The Government should be prepared to flout Common Market rules to protect the industry, he said.

Mr Jenkin said the EEC programme for planned cuts in Community steel-making had to be effective. But he stressed that it must operate fairly.

"We are not prepared to stand by and watch our effort to rationalise production being frustrated because other countries are not prepared to do so," he added.

Miss Joan Maynard (Lab Sheffield Brightside) urged the Government to subsidise energy prices to steel works, and called for an assurance that there would be no more cuts in jobs or capacity.

Mr Jenkin said the Government was studying what aid it could give towards subsidising energy prices.

Mr George Cunningham (SDP Islington) said imports levels for special steels were above 50 per cent and in many areas had reached 80 per cent.

British manufacturers of special steels, which included most private steelmakers, could not survive that level of competition, he said.

Mr Jenkin said he expected a report on special steels to be made to the next meeting of Community industry ministers, in Denmark next month.

## Pressure within Cabinet to reduce steel imports

BY JOHN HUNT

STRONG PRESSURE is building up within the Cabinet to reduce steel imports into Britain from both the EEC and other countries.

Mr George Younger, the Scottish Secretary, has had several talks with Mr Patrick Jenkin, the Industry Secretary, urging swift action. Mr Younger is alarmed by the effect any decision to close the Ravenscraig steel plant would have on the Scottish economy.

Mr Jenkin has promised Mr Younger that he will take a tough line with his Community counterparts when they meet in Denmark on November 18.

He will seek a significant tightening of the Common Market's voluntary arrangements to reduce steel imports from other countries and press for further cuts in steel production by Britain's Community partners.

He also wants the agreed pricing rules to be more strictly

observed and will complain that while Britain has observed mandatory quotas and made significant cuts in production, other members have not.

The Government has asked British Steel Corporation to suggest ways of reducing its losses now running at £7.2m a week. The possibility of further plant closures has reinforced demands from both the Opposition and from within the Conservative party, for import cuts.

Ministers' intense concern over the steel crisis was shown in weekend speeches. Mr Nicholas Edwards, Welsh Secretary, warned against closing the steel plants at Port Talbot or Llanwern, South Wales. He said they had a competitive reputation.

Mr Teddy Taylor, Conservative MP for Southend East, will press Mr Jenkin in the Commons this week for limits on steel imports from the Commu-

nity.

"Britain has cut back her capacity by more than one third," he said, "and there is ample evidence to show that the Continentals are cheating."

Mr Denis Healey, former Labour Chancellor, said barriers against imports were vital if British industry, especially steel and cars, were to survive.

It is likely to be several weeks before BSC presents its options and the Government reaches a decision. Meanwhile voices are being raised within the Cabinet in favour of relaxing the corporation's £365m external financing limit and so avoid the need for closures.

It is argued that the expected undershoot of this year's £9.5bn public spending target would help to make this possible.

It is now expected the Government will use the lower level of public spending to announce various measures to help industry.

Our Ref. JS/JD

27th October, 1982.

John Davidson, Esq.,  
Confederation of British Industry,  
Beresford House,  
5 Claremont Terrace,  
GLASGOW.  
G3 7XT

Dear Mr. Davidson,

Thank you for your letter of 25th October, 1982.

We see absolutely nothing wrong with the CBI in Scotland publicly supporting a campaign against the closure of Ravenscraig. We would strongly recommend that a joint meeting be convened with local employers and Trade Unions, also Regional and District Councils, to which should be invited the Secretary of State for Scotland, Minister of State for Industry and BSC officials to present the bleak picture which will result if Ravenscraig closes. This meeting should encompass small companies who are not members of the CBI, as many of them will go to the wall if Ravenscraig closes. The CBI should endeavour, ahead of such a meeting, to prepare a paper summarising the effects on the Scottish economy of this threatened closure, and arrange for various representatives of each group to be asked to speak on the matter at the meeting. BSC and Government representatives can be asked to explain their position in writing before the meeting so that the Scottish community can be given a chance to appreciate the BSC position.

If Ravenscraig closes, BSC will hardly matter to the CBI in Scotland, and many of the present members may ultimately disappear due to the effect on their own companies. Therefore, we repeat that we see absolutely nothing wrong with the CBI in Scotland supporting a campaign against closure.

Yours sincerely,

James Slater,  
Director.

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Glasgow G3 7XT  
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Director-General  
Sir Terence Beckett CBE

Director Scottish Office  
John Davidson

Scottish Office



JAK	W.
JS	J
JG	A.
LC	

Our Ref JD/SMD/MC

25 October 1982

I G Cumming  
Secretary  
Martin-Black PLC  
Speedwell Works  
Coatbridge  
ML5 4RS

Dear Mr Cumming

Ravenscraig  
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Thankyou for your letter of 19 October.

It was helpful to have the information that the closure of Ravenscraig would represent about 10% of your home sales. But I was particularly interested in your additional point about the consistency of BSC as a buyer for your product and that this helps you to resist increased competition from overseas. This was not a point of which I had been aware and it was helpful to have it brought to my attention.

As I explained to you on the phone, as BSC is a CBI member it is not possible for us to be identified publicly with any campaign to try and affect their commercial decisions. But we are of course deeply concerned at the implications for the Scottish economy of any change at Ravenscraig and we are in a position to discuss this informally both with BSC and with others who are involved. I am most grateful for your assistance.

Yours sincerely

JOHN DAVIDSON  
DIRECTOR CBI SCOTLAND  
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Our Ref: IGC/JMJ

19th October, 1982.

John Davidson, Esq.,  
Director,  
Scottish Office,  
Confederation of British Industry,  
Beresford House,  
5 Claremont Terrace,  
GLASGOW,  
G3 7XT

Dear Mr. Davidson,

I refer to the telephone conversation which we had yesterday regarding the threatened closure of BSC Plants. In particular, of course, we are concerned with Ravenscraig.

You asked that we should indicate in brief the consequence of such a development. Straight sales from our Plant here in Coatbridge to Ravenscraig constitute approximately 5% of our Home Sales. In addition, the loss of the purchasing power of Ravenscraig will affect adversely other suppliers whose own requirements for our products will, as a result, diminish or disappear. This could mean a loss of another 5% of our Home Sales. Thus, the consequence for us of the closure of Ravenscraig would be the loss of approx. 10% of our Home Sales.

There is a further, perhaps a little less obvious, threat posed by such a closure. BSC cannot be described as opportunist buyers concerned only with short term advantage. Thus, to have them as a substantial customer helps us to resist the increased competition from cheap imported European and other foreign rope supplies. A reduction therefore in our total capability to withstand this foreign competition could mean going out of business and likewise with other British users of steel who, like us, customarily buy from BSC. This, in our opinion, has been happening all along the line and will cut down still further the demand for BSC products and so the vicious downward spiral affecting BSC will be speeded up.

We feel that these considerations and others justify a strong mutual approach by both sides of industry to BSC and the Government, in order by reasoned argument to persuade both parties to abandon any thought of closing Ravenscraig.

Yours sincerely,

I. G. Cumming,  
Secretary.