

Prime Minister ^①
CONFIDENTIAL

MR TURNBULL

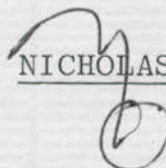
AT To see note below
6/12

6 December 1983

file with AT

DRAFT WHITE PAPER ON REGIONAL INDUSTRIAL POLICY: MR YOUNGER'S
PROPOSED AMENDMENT


Mr Younger is persisting with his efforts to get back into the White Paper an exemption for rationalisations involving the closure of one or more plants from the condition in paragraph 34 of the latest draft that no assistance would be given to "relocation projects where there is no increase in the number of net jobs". His preferred wording - "relocation projects which simply transfer existing facilities without any net increase in employment" - is in my view, an empty box: what firm is likely to "simply transfer existing facilities" from non-assisted to assisted areas? Mr Younger's wording would leave section 7 assistance available for most investment which involved relocation. The inwardness of this proposal is that the Scots and the Welsh want to retain control of the decisions on such investments, rather than allow the DTI to decide them under section 8. It would strengthen the DTI's hand in negotiating the operating guidelines with the territorials if the existing wording were retained. I have urged DTI officials to recommend as much to Mr Tebbit.


NICHOLAS OWEN

A late protest by Mr Younger. A compromise has been agreed, subject to colleagues, which keeps existing wording but inserts "normally" into the sentence at the end of para 34. Copy of revised text attached.

Content?

AT 6/12

Yes 

Note - Told DTI Private Office by phone that PM is content
AT 7/12

CONFIDENTIAL