

PRIME MINISTER

SCOTT LITHGOW

The Scottish TUC are seeking a meeting with you to discuss Scott Lithgow. The arguments for seeing them are:

- (i) there is advantage in being seen to give people a full opportunity to present their case.
- (ii) The STUC saw Mr. Younger before Christmas but have seen no Ministers from DTI. Since that meeting it has become obvious that the issue is not simply one of cancellation of a contract but of closure and the handling of the consequential redundancies.

The arguments against seeing the STUC are:

- (i) DTI have been scrupulous in arguing that the decision to close Scott Lithgow is a decision for BS management. Their Ministers have avoided meetings and public appearances. There is a danger that a meeting with you could give the impression that the BS decision was up for review.
- (ii) This is only one of a number of major redundancies eg Ford, BL, BR.

If you wish to see the STUC, the letter to them should make it clear that there is absolutely no question of BS's decision being over-ruled. The discussion can, therefore, only be about the Government's response to the consequential redundancies and about encouraging a private sector attempt to complete the contract. You will not wish to see the STUC until after Ministers have met on 27 January. Thereafter the diary is crowded but a spot could be found on 1 February.

Do you wish to see the STUC?

AT

Yes - but starting on
the above understandings
me

20 January 1984