

Mufaxed
to Blackpool
8/10.**MR. WICKS**

The Prime Minister might like to see the attached letter from the Welsh Office covering a draft announcement to be made by Courtaulds on Wednesday morning. This follows discussions between the Prime Minister and Sir Christopher Hogg about the implications for North Wales of the company's closure of its Greenfield and Wrexham plants. The Prime Minister became involved personally because she was visiting North Wales the week after the company's announcement and received a delegation of local councillors, shop stewards etc. The purpose of the meetings with Courtaulds were to persuade them to do rather more to offset the effects on the community of their decisions. The Secretary of State for Wales considers that Courtaulds have moved a considerable distance towards meeting the Prime Minister's concerns and as such the announcement should be regarded as good news.

I enclose with the papers a draft letter to Sir Christopher Hogg. Perhaps you will let me know whether to put this in for signature at the weekend or whether the Prime Minister will sign it in Blackpool.

TIM FLESHER**8 October 1985**



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FROM THE PRIVATE SECRETARY
TO THE SECRETARY OF STATE
FOR WALES

7 October 1985

Deus Mr Wicks,

Sir Christopher Hogg has already sent the Prime Minister a copy of the draft announcement to be made by Courtaulds, we understand now, on the morning of Wednesday, 9 October. The draft is a result of an extensive round of consultations by officials here with the Chief Executives of the affected authorities and Senior Management of the Company, following the discussion the Prime Minister and my Secretary of State had with Sir Christopher on 6 August.

The Prime Minister became involved at an earlier stage largely at the request of the local authorities, and others in NE Wales, who were worried about the Company's attitude. Both local authorities are, we understand, very pleased with the outcome - and will say so.

The terms of the announcement represent a positive response by Sir Christopher Hogg. They are a significant advance on the Company's initial position when the closures were announced and go a long way to answering the principal concerns of the Prime Minister and the Secretary of State.

... Mr Edwards proposes to issue the enclosed short positive response on the same day as the Courtaulds' announcement.

He suggests that the Prime Minister may wish to write to

... Sir Christopher Hogg and a draft letter is enclosed.

Yours sincerely
J Carter
J CARTER

Nigel Wicks Esq
Private Secretary
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DRAFT PRESS NOTICE

SECRETARY OF STATE WELCOMES COURTAULDS' PACKAGE

The Secretary of State for Wales, the Rt Hon Nicholas Edwards MP, today welcomed the announcement by Courtaulds of its package of help for the areas affected by the closure of the Company's Plants at Greenfield and Wrexham:

"I am delighted that Sir Christopher Hogg, the Chairman of Courtaulds, has been able to put forward such a comprehensive set of initiatives to assist his former employees and to ensure that the sites at Greenfield and Wrexham can be put to good use.

The Prime Minister and I were anxious that the Company should be seen to be making its full contribution to the task of dealing with the consequences of the plant closures announced earlier this year and to assist the areas affected by the closures. The initiatives now announced by Courtaulds complement the package of support I approved in June. Together these measures of assistance will provide a solid base on which the local authorities and others concerned can redevelop and expand in the areas affected.

/The Company's training ...

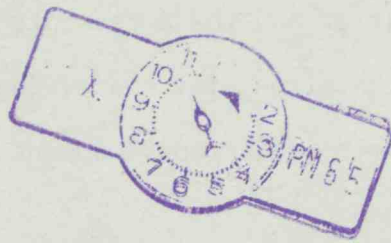




The Company's training initiatives, for example, will contribute to those already set in hand by the Manpower Services Commission with the local authorities and the agreements over the removal of asbestos and transfer of the sites will enable the WDA and local authorities to press ahead with their redevelopment plans.

In a difficult situation, the close co-operation of central and local Government, the statutory agencies and Courtaulds has produced a real prospect of attracting the industries and the jobs which must now be our top priority."







SUGGESTED LETTER FOR THE PRIME MINISTER TO SEND TO:

Sir Christopher Hogg
Chairman
Courtaulds PLC
18 Hanover Square
London
W1A 2BB

Thank you for sending me a copy of the draft announcement of the initiatives you are taking to help former employees to find new jobs and to bring the sites in North Wales into good use.

I am most pleased that you were able to make such a positive contribution to the work already put in hand by Nicholas Edwards and the local authorities.

I hope the announcement will go a long way to reassure local people that Courtaulds is a Company which meets its obligations to its workforce and the local community and that the Company will continue its support for the area beyond this first stage.