

CCRB



DEPARTMENT OF TRADE AND INDUSTRY  
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From the Minister of State for Industry

THE HON PETER MORRISON MP

James Milne Esq  
General Secretary  
Scottish Trades Union Congress  
Middleton House  
16 Woodlands Terrace  
Glasgow  
G3 6DF

NBPN

29 January 1986

See 9. 7. 2 - 0

Thank you for your telex of 17 January to the Prime Minister about BSC's decision to close the Gartcosh cold-reduction mill. We subsequently met on 23 January during your meeting with the Secretary of State for Scotland and prior to the Parliamentary debate on this issue.

As you know, the Government have concluded that the Corporation's decision to close Gartcosh is consistent with the agreed strategy announced on 7 August. The Government have, therefore, decided that intervention to prevent the closure would be inappropriate.

What must be recognised is that the steel industry is highly competitive and that action must be taken by the Corporation to move out of loss-making and into sustained profitability. This is the basis for the strategy agreed between the Corporation and the Government, which involves the continuation of steelmaking at all five integrated sites, including Ravenscraig, until at least 1988. It is, of course, not possible to foresee with any certainty what will happen beyond that period. But the Government believe, and the European Commission on the basis of BSC's viability plan have accepted, that the Corporation should return to full profitability by 1988 and be in much better shape to compete, whatever the market conditions are then.

1WEBAE



PM  
Meetings with  
STUC 9/85

I acknowledge the strength of feeling in Scotland over this issue during the past few months. I understand that the campaign to keep Gartcosh open has however now been called off, and I hope that it will now be possible for the Corporation to implement the closure amicably and through negotiation with the local trade union representatives. Thank you again for getting in touch.

*Friend*

*Peter Morrison*

PETER MORRISON





10 DOWNING STREET

*From the Private Secretary*

20 January 1986

CF

As this is  
GARTCASH follow-up,  
had you better keep?

JD  
21/1

I attach a letter the Prime Minister has received from Mr James Milne, General Secretary of the Scottish Trades Union Congress.

I should be grateful if you could arrange for a Ministerial or Private Secretary reply to be sent.

David Norgrove

Malcolm McHardy, Esq.,  
Department of Trade and Industry.

BM

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CF7

**SCOTTISH TRADES UNION CONGRESS**  
General Council



Our ref. JM/AMCC/SE

Your ref.

17 January 1986

22/1  
PPS

The Rt Hon M Thatcher MP  
Prime Minister  
10 Downing Street  
LONDON

PS / P. Morrison / Thatcher or  
PS reply.

Dear Prime Minister

I am sure you will, by this time, have been appraised of a result of a poll conducted by the Glasgow Herald which says that 80% of the Scottish population wish Gartcosh retained. 64% of Conservatives, 83% of Labour, 91% of SNP and 86% of Alliance all voted in favour of retaining Gartcosh.

When the question was put "Does the steel industry in Scotland have a future under the present Government"? 92% of the SNP supporters polled and 81% of both Labour and Alliance said "No".

I am sure your Government will not wish to confirm those fears. Even at this stage, we urge a rethink of the proposal to allow British Steel to close Gartcosh.

Yours sincerely

James Milne  
GENERAL SECRETARY

If phoning or calling ask for



Middleton House  
16 Woodlands Terrace, Glasgow G3 6DF.  
Tel: 041-332 4946/7/8.  
General Secretary: James Milne.

DUTY CLERK No 10  
FILE.

PS to P Morrison / PS to P Minister to reply

27582 CABOFF G  
778712 TGWU G  
TLX/REF:0196 86-01-17 11:20

TO THE PRIME MINISTER, 10 DOWNING STREET, LONDON.

DEAR PRIME MINISTER,

I AM SURE YOU WILL, BY THIS TIME, HAVE BEEN APPRAISED OF THE RESULT OF A POLL CONDUCTED BY THE GLASGOW HERALD WHICH SAYS THAT 80% OF THE SCOTTISH POPULACE WISHES GARTCOSH RETAINED. 64% OF CONSERVATIVES, 83% OF LABOUR, 91% OF SNP AND 86% OF ALLIANCE ALL VOTED IN FAVOUR OF RETAINING GARTCOSH.

WHEN THE QUESTION WAS PUT "DOES THE STEEL INDUSTRY IN SCOTLAND HAVE A FUTURE UNDER THE PRESENT GOVERNMENT?" 92% OF THE SNP SUPPORTERS POLLED AND 81% OF BOTH LABOUR AND ALLIANCE SAID "NO".

I AM SURE YOUR GOVERNMENT WILL NOT WISH TO CONFIRM THOSE FEARS. EVEN AT THIS STAGE, WE URGE A RE-THINK OF THE PROPOSAL TO ALLOW BRITISH STEEL TO CLOSE GARTCOSH.

YOURS SINCERELY,  
JAMES MILNE,  
GENERAL SECRETARY, SCOTTISH TRADES UNION CONGRESS.

27582 CABOFF G  
778712 TGWU G

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