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DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

PS/ Secretary of State for Trade and Industry

7 November 1985

Philip Wynn Owen Esq
Private Secretary to the
Chancellor of the Exchequer
HM Treasury
Parliament Street
LONDON
SW1

Prime Minister 2

The UK proposal is still on the table, but the initial reaction was unfavourable.

The Chairman of the LME has asked to see you. DTI are advising, almost certainly against.

DRN 7/11

Dear Philip,

TIN

I attach for your information the communique which was issued at the end of the ITC meeting today, and a press statement from Secretary of State which was released orally to the press this evening.

2 I am copying this letter and attachments to Peter Ricketts (FCO), David Norgrove (No 10), John Bartlett (Bank of England), and Henry Steel (LOD).

Yours ever,

Michael

MICHAEL GILBERTSON
Private Secretary

DW4AAS

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Press Notice

Department of Trade and Industry

1 Victoria Street, SW1H 0ET Press Office: 01-215 5065
Out of hours: 01-215 7877

Ref: 684

7 November 1985

STATEMENT ON TIN BY LEON BRITTAN

The Secretary of State for Trade & Industry welcomes the fact that the International Tin Council (ITC) has decided to continue urgent talks with banks and brokers before its meeting next week.

The UK Government, which has already put forward specific proposals to deal effectively with the present situation, will be continuing its efforts in the days before the ITC reconvenes, to achieve an agreed and early resolution. The UK Government has already declared its readiness to meet its own share of the commitments and calls on all other member Governments to do likewise. Its aim is to restore orderly trading in tin as soon as possible, which will be in the interests of producers, traders and consumers alike.

ENDS

CONFIDENTIAL

Issued: 7.11.85

THE INTERNATIONAL TIN COUNCIL

1 OXENDON STREET, LONDON, SW1Y 4EQ

General (Sixth) No. 136

Draft press communiqué
[For immediate release]

The International Tin Council today issued the following press communiqué:

The Council continued its Special Session on 6-7 November 1985 and gave preliminary consideration to the proposals which had been put forward by the 16 financial institutions which have provided finance facilities to the International Tin Council.

The Council received a letter from the Chairman of the Board of the London Metal Exchange and noted the sense of urgency expressed. The Council looked forward to further consultations with the London Metal Exchange.

The Council received a proposal from the UK Government which was designed to bring about conditions favourable to the resumption of orderly trading in tin. The Council Members noted ths proposal and agreed to study it closely.

The Council agreed to resume on 14 November 1985 and asked the Executive Chairman to continue his consultations with the bankers and brokers in the meantime.

The Council was of the view that a successful outcome also requires the cooperation of the ITC bankers and the LME and urged them to work constructively in finding an orderly solution to the present situation.

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JU556
Secretary of State for Trade and Industry

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6 November 1985

Philip Wyn Owen Esq
PS/Chancellor of the Exchequer
HM Treasury
Whitehall SW1

Dear Philip,

PA

TIN

The International Tin Council met today, inconclusively, and will meet again tomorrow to discuss what agreed statement it might make.

2 We have tonight given the attached line orally to the press. Our understanding is that it may be carried by the Financial Times and The Times. I am copying this letter and attachment to Peter Ricketts (FCO), David Norgrove (No 10), John Bartlett (Bank of England), and Henry Steel (LOD).

Yours ever,

Michael

MICHAEL GILBERTSON
Private Secretary

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JU546

The Department of Trade and Industry said last night that the Secretary of State welcomed the continuation of discussions in the International Council and looked forward to the urgent resolution of the current difficulties in the tin market. It also said that in view of the Secretary of State's statement of 1 November, the UK representatives took a leading and constructive role in today's Council discussions urging an early resolution of the problems facing the Council.