

NEWCASTLE EVENING
Chronicle



John

19/7

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

12 July 1988

I attach a copy of an open letter to the Prime Minister from the Newcastle Evening Chronicle about the order for the three Frigates. Bernard Ingham is inclined to think that it would not be appropriate for the Prime Minister to reply but it might be in order for the Defence Secretary to do so. I should be grateful if you could consider this and let me know your reaction.

(C. D. POWELL)

Brian Hawtin, Esq.,
Ministry of Defence.

John

To: Bernard Ingham

From: Ged Henderson, Newcastle Evening Chronicle - 091 2327500 Ex 2446

Could we please have a reply - as requested by telephone call.

An Open Letter to the Prime Minister

Are you for us or against us?

Dear Prime Minister,
THE people of the North-East are shocked by the Defence Ministry decision to "bulk-buy" three frigates from Clyde-based Yarrow Shipbuilders.

They want an assurance that you will stick to your policy of speaking up for the region in Cabinet — and help Swan Hunter to get busy soon on another warship order.

The discount available on the triple order for Yarrow was obviously worth having. But how does putting all the orders in one yard square with your faith in competition?

Why has it taken six months to sort the tenders? Why does the Navy get just three of the four frigates needed? And why is the MoD still so poor at forward planning? How does it expect companies to

cope with these successive — and avoidable — crises?

When the MoD left social considerations out of its ordering policy, the outlook for Swan Hunter looked better. Work would not be diverted to Belfast.

Now, see what has happened! Although Swans have won agreement on full-scale flexible working, and although they won great praise for delivering the top-class Sheffield and Coventry at top speed, the Tyne builders are snubbed.

The rule-changes are bewildering.

In the face of threatened heavy job losses, the people of the North-East ask a question: Are you for us or against us?

Yours sincerely,

The EVENING CHRONICLE