

FROM THE OFFICE OF THE LEADER OF THE CITY COUNCIL
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23rd February 1981

The Right Hon. Mrs. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London. W.1.

Dear Prime Minister,

Thank you for your letter dated 16th February.
I do of course understand your wish that our approach on the
Tate and Lyle's issue should be made in the first instance to
the Minister for Agriculture, and indeed Mr. Walker was kind
enough to make immediate arrangements to that effect and, as
you will know, the meeting took place last week.

After listening to the points made by the large and
fully representative delegation the Minister unfortunately gave
it as his considered opinion that it would not be appropriate
for the Government to intervene in what was essentially from his
point of view a commercial matter. The matter was I know debated
in the House of Commons the same evening, when the questions of
the beet sugar quota and possible financial assistance to Tate
and Lyles were ventilated.

Turning, if I may, to the broader context within which this
closure is experienced in Liverpool, the facts are that since 1976
34,500 people have been made redundant in Liverpool. I know that
the Government acknowledges the especially serious effect of the
recession on places like Liverpool. I appreciate that it has
sustained the Inner City policy (inaugurated, as it happens, by
Peter Walker during his time at the Department of the Environment).
I appreciate too that under recent legislation special arrangements
for the setting up of an Urban Development Corporation and for the
establishment of an Enterprise Zone are being made. For these things
we are grateful. It is equally true, however, that several years
must elapse before the full benefit of these measures will be felt
- before investment and employment are created. It is for this
reason that I would like to ask you to consider the Tate and Lyle's
closure from a slightly different angle to the question of sugar
quotas and financial assistance which have been discussed hitherto.
We desperately need a deferment of the closure for, say three years,
until the benefit of the measures being introduced by the Government
is felt. In this way we should be helped to bridge the gap between
the present desperate situation resulting from the many thousands of
redundancies, and the take-up of the job opportunities expected to
follow from the Government's plans.

/Contd.

The Prime Minister

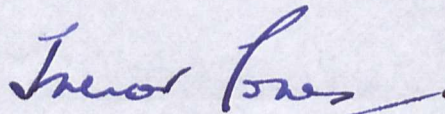
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I wonder whether, in the aftermath of our discussion with Mr. Walker, I could again ask you to receive a small delegation to discuss the Liverpool situation with you? In brief, the intention would be to seek your intervention to secure a deferment of the Tate and Lyle's closure, coupled with the following:-

1. The speeding up of the processes leading to the setting up of the Urban Development Corporation for the redundant Mersey Docks and the creation of investment through that mechanism.
2. An early and favourable conclusion to the long drawn-out saga to enable the Albert Dock redevelopment to take place. The developer is very anxious to make an early start. A Public Inquiry was held about six weeks ago.
3. The immediate establishment of the Enterprise Zone at Speke along the lines of my recent correspondence with Tom King.
4. Securing the locating of the proposed Datsun factory on Merseyside - you will recall the closure of the British Leyland factory in 1978.

I look forward to hearing from you.

Yours sincerely,



Sir Trevor Jones, J. P.