

SECRET

Copy No 1 of 2



Prime Minister (3)

26 A AT 2/7

SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ
01 211 7214

Andrew Turnbull Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON SW1

2 July 1984

Dear Andrew

Although my Secretary of State was sent the attached note on a strictly personal basis, he thought the Prime Minister would wish to see it. I would be grateful if you could ensure it does not receive any wider circulation.

Yours sincerely
Michael B.

M F REIDY
Private Secretary

SECRET

(PD)



CENTRAL ELECTRICITY GENERATING BOARD

Sudbury House, 15 Newgate Street, London EC1A 7AU. Telephone 01-634 5111

From the Chairman
Sir Walter Marshall, CBE, FRS

28 June 1984

The Rt Hon Peter Walker MP
Secretary of State for Energy
Department of Energy
Thames House South
Millbank
London SW1P 4QJ

STRICTLY PERSONAL
NOT FOR THE FILE

Dear Secretary of State,

I think you would like to have a note on the meeting we had with British Steel last night.

We found British Steel very upset at the threat to Llanwern. They were worried that if Llanwern were closed they would lose a large part of their market. They were, therefore, much inclined to take out civil injunctions to protect their business and argued that this point of view had received some encouragement from the Government earlier last week. They were, however, anxious to hear the views of the other industries involved before moving ahead. The subsequent discussion, at points, became a little emotional. British Steel felt that the management of British Rail was not being decisive enough in keeping the trains moving and they felt that Ian MacGregor should be closing down pits with some public fanfare to demonstrate that the Strike is losing everybody jobs. British Rail and Ian MacGregor defended themselves vigorously and I intervened to argue that British Rail had served the CEGB very well indeed and that the British Rail tactics had worked beautifully in the Country overall, so why were they not working in South Wales. I thought it was because the public perception of a threat to Llanwern was a great deal less than the public perception of a threat to Ravenscraig. After some further discussion, this general point was accepted and we discussed several ideas to apply the Ravenscraig techniques to the Llanwern situation. These in shorthand form included the following:

1. British Steel will ship-in iron ore in bulk by road starting, I believe, this Friday.
2. Bob Scholey will make a statement along the lines that if Llanwern gets closed down it will never re-open again.

Continued

STRICTLY PERSONAL
NOT FOR THE FILE

The Rt Hon Peter Walker MP

2

28 June 1984

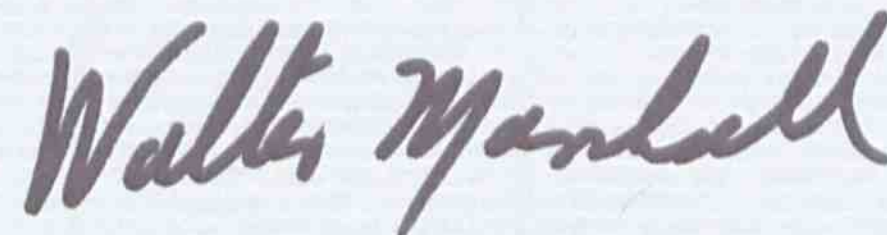
3. The assistance of Nicholas Edwards will be sought to dramatise the risks to Llanwern.
4. We will persuade the Ford Motor Company to switch some of their needs from Llanwern to Ravenscraig so that the workforce can visibly see work going away from Llanwern.

In the course of the discussion we managed to agree that it would be unwise to use injunctions against peaceful picketing even if that picketing were illegal. We agreed that violent illegal picketing to stop iron ore being delivered to Llanwern might well be the most suitable candidate for a civil injunction but we agreed that no action of this kind would be taken without the four industries conferring together in advance.

It was left that British Steel would reflect upon all these matters and have discussions with the Welsh Office and with the Department of Industry. However, certainly all plans for civil injunctions are abandoned for the time being. I think this is a very satisfactory outcome of a meeting which had at one time threatened to go in a different direction.

I am very grateful to you for arranging my invitation to the meeting. I was very glad to be there.

Yours sincerely



W Marshall