



Wales Office | Swyddfa Cymru

Office of the Secretary of State for Wales
Gwydyr House
Whitehall
London SW1A 2ER

Swyddfa Ysgrifennydd Gwladol Cymru
Tŷ Gwydir
Whitehall
Llundain SW1A 2ER

Ysgrifennydd Gwladol Cymru
Secretary of State for Wales

Rt Hon Peter Hain MP

Tel: 020 7270 0549
Ffon: 020 7270 0549

Fax: 020 7270 0568
Ffacs: 020 7270 0568

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Thanks for your letter 11 April asking about the future of Visteon in South Wales. My office has recently been in contact with Andy Gill, Vice President for Visteon Europe, who has provided an update on the situation with the Swansea plant.

The significant news is that Andy met with his colleagues at the corporate headquarters in Detroit and is now in a position to make an offer to the unions.

The company will not be asking for a cut to base pay, though it needs to secure a pay freeze and concessions on other benefits, in order to bring overall labour costs down. The final salary pension will be retained but increased contributions will be required from employees.

Negotiations are scheduled over three days from 9 May in Coventry, between management, local and national unions. Andy will be meeting with Margaret Hodge in due course to update him on the progress.

If this offer is accepted by unions and workers, the parent company will be willing to underwrite the Swansea plant for two years. In that time it would seek to enter into a partnership or divest itself of what it considers to be a non-core business.



Regarding confidentiality, all the information in this letter was provided via telephone conversation and is commercially sensitive, so should not be disclosed at this point in public. It would be fine, however, to say that Management have put together a new offer with which they are now negotiating with unions on behalf of the workers in the Swansea and other Visteon facilities in the UK. It is likely that the union will be consulting its members directly very soon anyway with the details of the offer.

I will continue to keep you informed of any progress.

Sian James MP
House of Commons
SW1A 0AA