

c.c. HMT
Robert Maclennan MP.



10 DOWNING STREET

THE PRIME MINISTER

4 June, 1982.

Alan R. Steward,

Thank you for your letter dated 14 May about the refusal of Customs to provide facilities at Wick aerodrome for the proposed air service between there and the Faroe Islands.

I know that there has been a good deal of interest in this case, which was considered very carefully by both the Chancellor and the Economic Secretary before a decision was reached. In the end they concluded that Customs should not be asked to make Wick an exception to their normal policy. I expect that you have seen the reply given on 6 May to a Question on this matter tabled by Robert Maclennan, the constituency Member. He has, I understand, also received a letter from Jock Bruce-Gardyne explaining the background more fully.

The problem is that Customs simply cannot provide services at all the small aerodromes throughout the United Kingdom where local development and industrial needs might be claimed. For this reason regular customs and immigration facilities are restricted to thirty eight airports where the level of foreign traffic allows the movement of passengers and goods to be dealt

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with in a way that is compatible with the economic use of official manpower. This means that flights between local airfields and countries abroad have to be cleared en route at one of the approved airports, but the necessity for this is widely recognised and accepted. Clearance facilities are already available at Aberdeen, Inverness, Kirkwall and Sumburgh, and in round terms I think it fair to say that the north of Scotland and the Northern Isles are at least as well served as any other of the more remote regions of the country.

I understand that the service in question was scheduled to fly between Aberdeen and the Faroes, carrying no more than a dozen passengers, and calling at Wick twice per week in each direction. Passengers wishing to clear at Wick itself would I imagine be very few indeed. To provide staff for such a purpose would in itself be uneconomic, but on a wider front to make Wick an exception from the general rules would inevitably lead to irresistible demands from a number of other airfields throughout the country, some with a considerably higher traffic potential than Wick, which have been pressing recently for similar facilities. To concede such demands would be totally inconsistent with the Government policy of reducing the size and cost of the Civil Service and of seeking greater efficiency in public administration. For these reasons I am afraid that this is not a case in which I would wish to intervene.

Yours sincerely
Margaret Thatcher



U.R.
 Type for PM re
 "1.6."
 Submit in this note
 After despatch, re copy to
 Mr MacLennan 3/6
 M.P. 3/6
 cc PS/EST

pl send copy of reply to
 Board Room Robert MacLennan
 H M Customs and Excise
 King's Beam House
 Mark Lane London EC3R 7HE
see below

MPA 11151

From: J A BERESFORD
 28 May 1982

1. PRIVATE SECRETARY TO THE CHANCELLOR OF THE EXCHEQUER
2. *MCS RGD 3/6*
3. PRIVATE SECRETARY TO THE PRIME MINISTER

Jim Rutter 3/6/82 - 2 amendments suggested by the Economic Secretary, cleared with C+E.

THE RT HON DONALD STEWART MP: CUSTOMS FACILITIES AT WICK AIRFIELD

1. Although it was expected that the refusal to provide custom facilities at Wick would provoke a good deal of political interest, in fact other representations have been made only by the Secretary of State for Scotland, who has written twice to the Economic Secretary, and by Mr Robert MacLennan MP, who raised the matter in the House (OR Vol 23, Col 123) and also wrote to the Economic Secretary.


2. The Chancellor's Private Secretary wrote to the Prime Minister's office on 7 May setting out the background to the Wick decision and the reasons why it should be upheld. We would draw your attention particularly to the fifth paragraph of that letter (copy attached) concerning the Rayner scrutiny on customs attendance. Although the results of that study are still the subject of Ministerial consultations and therefore should not be divulged in this correspondence, the Prime Minister may like to be aware of Sir Derek's conclusion that

"I am sure that the presumption should be that the principles underlying efficiency in the provision of services should apply in the judgment about where, when and on what basis to provide Customs facilities unless there is convincing hard evidence of likely damage to the interests of the general nation."

We find it hard to see that it could be convincingly argued that the "interests of the general nation" are at stake in this case.

3. However two points were mentioned in the letter which perhaps warrant comment. The first of these concerned the relationship between the Civil Aviation Authority and Customs when licensing applications are being considered. Improved consultative arrangements have now been introduced. The second point was about the immigration responsibilities of customs officers at small ports and airports about which the Chancellor proposed to write to the Home Secretary. This matter is still being considered.

... 4. The attached reply is suggested.


J A BERESFORD
Parliamentary Unit

28 May 1982

PLEASE NOTE

Donald STEWART MP
Mike MP
BU 7/6 ? 7/6 2/6
Kay 3/6

Mike Pattison had a telephone call from Mr. Robert Maclennan, M.P., about this matter, to point out that as he is the constituency MP, he has already been in touch with Mr. Bruce Gardyne. We would, therefore, like the reply to Mr. Donald Stewart to include a reference to this fact (i.e. of the constituency MP's correspondence with the Government on this matter) and that a copy of the reply should be sent to Mr. Maclennan.

I have passed this on to the Treasury.

Lillian

20 May 1982



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

Ministerial Correspondence Unit
Room 74C/2
H.M. Treasury

18.5.82

PS C+E

NO.10 CASE

I attach a letter the Prime Minister's Office have received from the Rt Hon Donald Stewart MP

I should be grateful if you could arrange for:

- a. A draft reply for the Prime Minister's signature to be sent to the Ministerial Correspondence Unit by 1.6.82
- b. A suitable reply to be sent on the Prime Minister's behalf, with a copy to the Ministerial Correspondence Unit, by

If you are not responsible for this matter, please inform the Ministerial Correspondence Unit as soon as possible.

R G Durrant
R G DURRANT
233 5697

11/5/82

18/5/82

1. Received in *Mr Callings*

2. Action: *Mr Callings*

(P/Q 145/82 amended)
155/82

for P/M's reply
by 29th please

*(Copied to
A of S for Scotland
copy reply to
TMC Donald)*



CH/EXCHEQUER

SEC.

18 MAY 1982

ACTION

COPIES

10 DOWNING STREET

From the Private Secretary

17 May 1982

Dear Peter

44417

You warned us that there would be some controversy about HM Customs' decision not to provide customs facilities at Wick Airport. I now enclose a copy of a letter to the Prime Minister from Mr. Donald Stewart, M.P., on the point.

I should be grateful if you could let us have a draft reply for the Prime Minister to send to Mr Stewart by Wednesday 2 June.

*Yours ever**Mike Paterson*

Peter Jenkins Esq
HM Treasury

MFJ

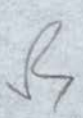
17 May 1982

I am writing on behalf of the Prime Minister to thank you for your letter of 14 May.

I will place your letter before the Prime Minister and a reply will be sent to you as soon as possible.

MAP

The Right Honourable Donald Stewart, M.P.



Rt. Hon. Donald Stewart P.C., M.P.



HOUSE OF COMMONS
LONDON SW1A 0AA

14th May 1982.

The Rt. Hon. Margaret Thatcher M.P.,
The Prime Minister,
10, Downing Street,
Whitehall
SW1.

Dear Mrs. Thatcher,

I would like to ask if you will intervene in a matter of great importance to the future development of the Highlands.

As you will see from the enclosed letters, Air Ecosse were recently granted permission to start a service between Wick and the Faeroes. What is now preventing this is the absence of Customs facilities at Wick airport and the refusal of H.M. Customs and Excise to provide such facilities in line with their national policy of restricting the number of airports with international facilities and their desire to cut spending.

Not only are Air Ecosse dismayed by this decision but Councillors in the area and local businessmen are severely disappointed. All have been very keen to develop further the links which exist between the North of Scotland and the Faeroes. There is a growing tourist and visitor traffic in the summer months which is expected to increase further and, perhaps more importantly for the development of the region and employment provision, there is a likelihood of oil developments in the basin to the west of the Shetlands.

At present, Customs facilities are provided at Scrabster Harbour in Caithness but even there cutbacks have meant the loss of one Customs official. Recent decisions by H.M. Customs have seen a cutback in staff in various places and Caithness has not escaped this. The consequences now facing the area as a result of C and E decisions are a) a possible withdrawal of the twice weekly air service to the Faeroes and b) the loss of the chance to benefit from oil related development in the near future. The loss of the former will mean a decline in the steady extension of business contracts between Caithness and the Faeroes and the incidence of the latter would obviously be of great disappointment to the whole of the North Highlands. Your 1979 Conservative Manifesto for Scotland mentioned the "special problems and claims of the Highlands and Islands". Here we have a case in point and I ask that you take some action to ensure that Highland interests are furthered.

I look forward to your reply,
Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Donald Stewart'.

The Rt. Hon. Donald Stewart P.C., M.P.



Board Room
HM Customs and Excise
King's Beam House
Mark Lane London EC3R 7HE

Rt Hon Donald Stewart MP PC
House of Commons
London SW1A 0AA

12 May 1982

Dear Mr Stewart,

You wrote to Mr Pitt, Director, Outfield on 28 April about Customs and Excise staffing in Caithness and the provision of customs facilities at Wick Airport. I am replying because he is out of London at present.

As you will know Customs and Excise are not free from the general pressures on official manpower and costs, nor are we likely to be in the foreseeable future, and certain cutbacks have had to be made. However, whilst there has been an overall reduction in the numbers of officers employed in Caithness, which include those on VAT and other duties, this has not affected to any great extent the traditional customs and excise work areas eg at ports. It is, of course, officers working in these areas who are engaged on duties related to the needs of the trade.

So far as the provision of Customs facilities at Wick Airport is concerned, you will no doubt have seen the Economic Secretary's reply to a Question by Mr MacLennan (OR 6 May COL 123) in which he confirmed that we were not able to provide Customs facilities at Wick Airport.

The position is that we cannot afford to provide the facilities at all airports but have to confine attendance to those at which the traffic is sufficient to provide economic employment for our officers. The proposed service between Aberdeen and the Faroes with an intermediate stop at Wick would not have generated enough work to justify Customs attendance.

Yours sincerely

H J GALLAGHER
Deputy Director Outfield