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PRIME MINISTER

BRITISH MIDLAND AIRWAYS: SERVICES TO GLASGOW AND EDINBURGH

British Midland Airways have appealed against the Civil Aviation Authority's refusal to license them to operate scheduled services between London (Heathrow), and Glasgow and Edinburgh. For the reasons explained below, my decision on this appeal has been delayed by action taken by the opposing airlines. I had decided to seek amplification from the parties of the arguments for and against the licensing of only one of the two routes, a possibility which had received little consideration at the Authority's hearing of the applications.

When a letter inviting such amplification from the parties was issued, two of them, British Caledonian Airways and British Airways, immediately wrote challenging the legality of the procedure we had adopted, and arguing that British Midland Airways had made clear at the hearing that their evidence was addressed to consideration of the two routes together. While my legal advisers did not accept the legal objections advanced, it was clear that these might result in litigation which would have further delayed a decision. It also became clear that BMA would be unlikely to add very much to what had been said before the Authority. I decided therefore not to continue with this course of action but to consider the appeal as originally submitted.

I have concluded that I should direct the Authority to license BMA on both these routes as applied for, and my Department will be issuing a letter informing the parties of this next week. I am also considering what form of public statement I should make myself at the same time.

Department of Trade  
1 Victoria Street  
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*Cockfield*  
LORD COCKFIELD

23 July 1982

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