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Aerospace

cc D/T

10 DOWNING STREET

THE PRIME MINISTER

17 December 1979

Dear Bill,

Thank you for your letter of 4 December concerning the costs of developing a new airport at Stansted or Maplin.

I have seen a copy of Norman Tebbit's reply to you. As he points out the figures provided in the balance sheet attached to your letter differ significantly from the latest estimates produced by the Study Group on South East Airports which included representatives of the bodies directly concerned. I note that the imbalance in costs in your estimates arises from your calculation of the costs of urbanization. While I appreciate that there can be no exactitude about such estimates, the fact is that even the local authorities calculate that at no stage of development will Stansted require more than twice as many new dwellings as Maplin. There must, therefore, be significant doubts about the much greater difference in costs which TEDCO has calculated. If urbanization costs are excluded for the reasons given by Norman Tebbit I am sure you will agree that Maplin is a much more expensive site than Stansted and several of the other possible inland sites. There are also considerable problems and costs involved with the relocation of defence facilities, and all this has to be taken into account.

There are, of course, some environmental advantages as well as disadvantages in developing Maplin. I can assure you that

/the Government



the Government has considered all the relevant factors in reaching its conclusions, which will be announced shortly.

Y  
Lonsdale

Raymond

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William Clark, Esq., MP.