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Prime Minister (4)

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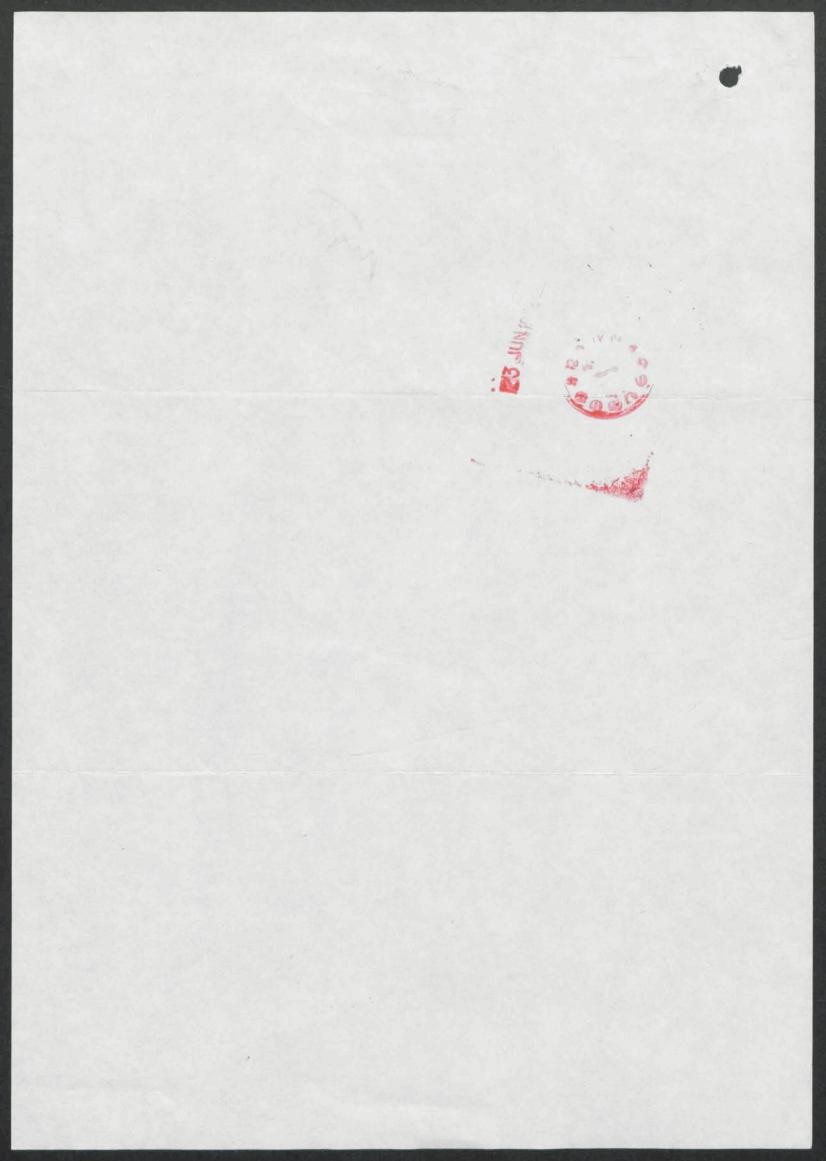
ADDITIONAL ENTERPRISE ZONES

Thank you for your letter of 27 May, in which you asked that the Medway towns should be borne in mind in any consideration of possible sites for additional enterprise zones.

We have this week received the early appraisal of the existing zones which provides pointers to guide the selection of any additional zones, and I am sure that it would be right that any site proposed in the Medway towns should be considered in the light of this appraisal. I should stress, however, that, in designating any site as an enterprise zone, we would need the full co-operation of the local authority which would normally be responsible for preparing the simplified planning scheme for the zone. In the case of Chatham, this means that the attitude of Gillingham and Rochester-upon-Medway Borough Councils would be crucial.

I am copying this letter as before.

MICHAEL HESELTINE



Prime Minister @ 1 54 Succession Hus 27/5 MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1A 2HB ' Telephone 01-218 2216 (Direct Dialling) 01-218 9000 (Switchboard) MINISTER OF STATE FOR THE ARMED FORCES D/MIN(AF)/PB/1/5 27 May 1982 Lear Michael ADDITIONAL ENTERPRISE ZONES John Nott has asked me to look at the question of increasing the number of Enterprise Zones, which was the subject of your letters of 7th April and 6th May to Geoffrey Howe. We have also seen the contributions from other colleagues mentioned in your second letter. I do not want to address the questions of whether or when the Government should establish another group of Enterprise Zones. Your second letter proposed a way of reaching an early decision on these issues. But I would like to register the claims of the Medway area for a zone, or zones, if more are to be created. We have yet to make a significant response to the local pressures for some kind of Government measure to counter the effects of closing the naval base. I need not spell out the political complications, which the Falklands crisis has done nothing to reduce. If there are to be more zones, I do not think we could contemplate the omission of the Medway towns. Even if we decide not to go for a major extension of the Enterprise Zones I believe there would still be a case for considering making Chatham an exception, and I hope you and the colleagues who will be considering the way forward will bear this possibility in mind should the consensus go against a general extension. I am copying this to those who received your letter. yours wer. PETER BLAKER The Rt. Hon. Michael Heseltine, M.P.