ABOLITION OF CONTROL OVER PORT DEVELOPMENT

The Secretary of State for Transport wrote to you on 29 February - Flag A - proposing that the Government should revoke the Order under which it is required to authorise any port development over £3 million. Mr. Ridley felt that this was inconsistent with general Government policy, and tended to confer an aura of positive Government backing for any project given approval. The case in question is Falmouth.

You and other colleagues wished to be sure that in revoking this power a void would not be created in which port developments were not subject to planning control. In his minute of 23 March - Flag B - Mr. Ridley confirms that existing planning controls will not be altered.

A further question, raised in paragraph 8 of the paper attached to Flag A, is the hint that if Falmouth is permitted to go ahead, there could be attempts to organise a dock strike. I asked the Department of Transport to consider this which they have done in the letter of 29 March - Flag C. They now believe this possibility is remote.

The remaining reservation comes from the Treasury who are concerned about the implications for Customs manpower if new ports are created - Flag D. I do not find this a telling argument; we would not want to turn down an industrial development because we were worried about the extent of fire cover.

The latest Department of Transport letter asks for an early decision in order to allow them to answer a PQ from Mr. David Mudd who is asking the Secretary of State for Transport "if he is now persuaded that there is any case for the continuation of the procedure of Section 9 of the Harbours Act 1964". The Department have given a holding reply today, but nevertheless need an early decision in order to give a substantive reply next week.

In the light of the satisfactory explanation on planning control, do you agree, subject to:-

Department of Transport being fully satisfied that there is no significant risk of early industrial action on the ports; I ague The

(ii) the views of colleagues?

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2 April 1984

From the Private Secretary

Abolition of Control over Port Development

The Prime Minister has seen your Secretary of State's minute of 23 March, your letter to me of 29 March and the Chief Secretary's minute of 29 March. She has noted that divesting Government of the requirement to authorise port development over £3m does not weaken the planning controls as they relate to ports. In the light of this, she agrees in principle that the Government should revoke the relevant Order.

She is however concerned about the impact announcement of this might have on industrial relations in the ports, and would not want to go ahead at present if there is any risk of a dock strike. She wonders whether it would be possible to delay the announcement until present industrial relations difficulties have been resolved.

I am copying this letter to the Private Secretaries to members of E(A) and to Richard Hatfield (Cabinet Office).

(Andrew Turnbull)

Miss Dinah Nichols, Department of Transport

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