



with (6)

10 DOWNING STREET

THE PRIME MINISTER

22 January 1981

Your Highness,

I was grateful for Your Highness' letter of 18 December about Laker Airways' proposal to operate a service between London and Sharjah. I am very glad that your Highness also had the opportunity to put your views on this matter to Mr. Hurd when he visited Sharjah earlier this month.

I appreciate your disappointment at the decision of the independent Hong Kong Air Transport Licensing Authority to withhold a licence from Laker Airways for London-Hong Kong services via Sharjah. Under the Air Transport Licensing Regulations currently in force in Hong Kong these decisions are not subject to appeal. I believe the Hong Kong Government is currently considering whether to revise these Regulations but I am not in a position to predict the outcome of this review and its possible implications for Laker's proposed services.

Laker Airways require a separate licence to operate turn-around services between London and Sharjah. As Your Highness will be aware, Laker Airways' application to start such services will be considered by the United Kingdom Civil Aviation Authority after a public hearing to be arranged during the next two or three months. The Civil Aviation Authority's decision, however, will not necessarily be the final word, since the parties concerned have the right to appeal against a decision by the Civil Aviation Authority

/to the Secretary

to the Secretary of State for Trade. I am sure that Your Highness will understand that in these circumstances Her Majesty's Government cannot comment on the substance of Laker Airways' application. I should nevertheless like to say how pleased I was that Your Highness took the trouble to write to me personally about this, and to assure you that the Civil Aviation Authority will examine Laker Airways' application thoroughly and objectively.

Yours sincerely
Margaret Thatcher

His Highness Shaikh Sultan bin Muhammad Al Qasimi.