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ENTERPRISE ZONES

Thank you for your letter of 16 November, in which you referred to our exchange in the House on the previous day.

As I said on that occasion, I understand the disappointment felt in South Tyneside at the fact that the Council's application for an enterprise zone was not preferred. A large number of authorities have inevitably been disappointed, since, in England, over 50 applications were submitted and only 9 new zones announced. I should make it clear that, in deciding upon these applications, we certainly had regard to unemployment levels, but we considered other factors as well, notably the rate at which land proposed for designation could be made available for development, and the applicant authority's proposals for relaxing planning controls.

As far as the Northern Region is concerned, our view was that it was appropriate to establish one additional enterprise zone, and that Middlesbrough had made the strongest case. You ask specifically about unemployment rates. In October 1982, the total unemployment rate for the Teesside TFWA (which includes Middlesbrough) was 20.1%; the equivalent figure for South Tyneside was lower, at 19.3%. As I have stressed, however, the unemployment level was only one of the factors which we considered in reaching our decisions.

I cannot accept the charge that the Government is failing to respond to the particular difficulties faced by your area. South Tyneside Metropolitan Borough Council is a programme authority under the Inner Urban Areas Act 1978, and in 1982/83 some £3.23m has been allocated to the Council under the Urban Programme. In addition, South Shields is designated as a special development area under regional policy. I think that these arrangements demonstrate a considerable commitment on the part of Central Government to tackling South Tyneside's problems.

MICHAEL HESELTINE