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DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET 5422
TELEPHONE DIRECT LINE 01-215
SWITCHBOARD 01-215 7877

Secretary of State for Trade and Industry

6 August 1985

Andrew Turnbull Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Better late!

Dr

6/8

Dear A. T.,

AIRCRAFT AND SHIPBUILDING NATIONALISATION : EUROPEAN CONVENTION OF HUMAN RIGHTS

Having seen Henry Steel's letter of 19 July to you, I should add that this Department also has been careful to make it clear that the Government's position is that there was no breach of the Convention in the nationalisation of the aircraft and shipbuilding industries. We have never implied that nationalisation without compensation could be legitimate; and we have rebutted suggestions that success for the Government at Strasbourg would imply that a future nationalisation could be undertaken without compensation for nationals.

Yours Sincerely,
Andrew D Lansley

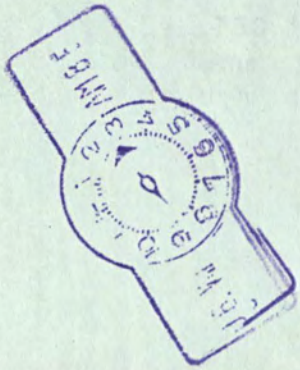
ANDREW D LANSLEY
Private Secretary

JF5ACB

Euro Post

Nov. 80

Human Rights





H. STEEL, CMG OBE
LEGAL SECRETARY

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LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

31 July, 1985

A Turnbull Esq
The Prime Minister's Office
10 Downing Street
London SW1

Dear Andrew,

Thank you for your letter of 29 July about Lord Weinstock's letter to the Prime Minister. As requested I enclose a draft reply.

It concentrates on the central issue of whether the Government have been speaking with two voices. It does not directly deal with incorporation since what Lord Weinstock says about that is based on the false premise that there has indeed been a discrepancy between what Ministers have said domestically and what was said in Strasbourg. Nor does it deal with Lord Weinstock's point about the profit made on the sale of British Aerospace shares. The Prime Minister may think that that is a point which need not be answered but, in any event, it is not one for the lawyers.

As I explained in my letter of 19 July, all this is as much a matter for the FCO as for the Law Officers and I have therefore cleared my draft with the FCO Legal Advisers and indeed have made some alterations to it at their suggestion. I am sending a copy of this letter and its enclosure, and also of your letter and Lord Weinstock's letter, to Martin Eaton at the FCO - he was the UK Agent in the case - and I would suggest that, if you have any more representations of this kind, you should invite his comments as well as - or instead of - mine.

Yours sincerely
H Steel

H STEEL

DRAFTLETTER FOR PRIME MINISTER'S SIGNATURE
TO LORD WEINSTOCK

Thank you for your your letter of 26 July about the Aircraft and Shipbuilding Industries Nationalisation Case in Strasbourg.

n.p.

I am sorry that my correspondence with Alan Beith has troubled you in the way you describe. I really do not see why it should have done. My letter to Mr. Beith was perfectly correct in saying ~~and I knew what I was talking about when I said it~~ that neither I nor any of my colleagues had ever resiled from the criticisms that we had previously made about the compensation that was paid in some of these cases. Nothing that was said to the Court on the Government's behalf disproves that. At no stage did the Government contend before the Court that fair and just compensation had been paid. That was not the issue. The issue to which both the Commission's Report and the Government's submissions were directed was whether the method of assessing compensation which was provided for by the 1977 Act fell within the legitimate "margin of appreciation" which the Convention leaves to sovereign Governments and Parliaments in these matters. If it did, then, whatever criticism might be levelled at the compensation

DRAFT

paid, there was no violation of the United Kingdom's obligations under Article 1 of the First Protocol to the Convention. Our case was simply that we were indeed within that legitimate margin of appreciation. That was our submission to the Court (and it was also the Commission's own conclusion) and we did not address the question of compensation in any other way.

