

*Amhurst*

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*cc Amhurst*



*You have already agreed but Sir Keith should report to a*

Treasury Chambers, Parliament Street, SW1P 3AG

01-233 3000

*small group of colleagues (presumably those mentioned below) on this. We can ask him to cover the point*

PRIME MINISTER

NISSAN

*Yes not*

I was very interested to see from Keith Joseph's minute of <sup>at X</sup> 20 November that Nissan have confirmed their interest in a substantial investment in the UK.

2. It is no doubt right to take a non-committal line in any initial defensive statement, although any reference to a substantial operation on a greenfield site in a development area or special development area is bound to arouse great public interest. Such a development would be seen as a major coup, and it may be that the balance of advantage will lie in supporting the project, particularly if Nissan would otherwise go ahead in some other part of the EC.

*12  
26/11*

3. But before we reach conclusions on giving Nissan approval in principle I should like to be sure that we have considered all aspects. If Nissan provide business for UK component suppliers that will be very welcome: but are we sure the effects on BL itself have been adequately considered, bearing in mind that an adverse effect on BL may cost the taxpayer money? I suggest that officials of the departments concerned should be instructed to consider urgently the likely effect both on other UK car manufacturers, notably BL, and on the UK component industry, and the public expenditure consequences of a regional incentive package for Nissan, in their report. Keith Joseph's proposal for recommendations by mid-December should fit in well with our consideration of the BL Corporate Plan.

*X*

4. I am sending copies of this minute to Peter Carrington, Keith Joseph, John Nott and Robin ibbs.

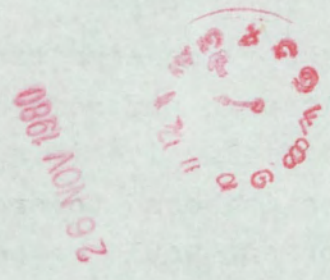
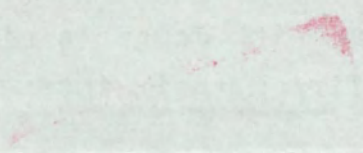
*G.H.*

(G.H.)

26 November 1980



Faint, illegible text centered on the page, possibly a header or title.



Large, faint, mirrored watermark or stamp in the center of the page, appearing to read 'CORRECTION'.

SECRET

HS



cc: FCO  
DO1  
DOT  
CPRS

10 DOWNING STREET

From the Private Secretary

27 November 1980

NISSAN

The Prime Minister has read the Chancellor's minute of 26 November and agreed that the Report which is being prepared to examine the NISSAN proposal should cover the points he suggests.

I am sending copies of this letter to George Walden (Foreign and Commonwealth Office), Ian Ellison (Department of Industry), Stuart Hampson (Department of Trade) and Gerry Spence (Central Policy Review Staff).

I. P. LANKESTER

Peter Jenkins, Esq.,  
H.M. Treasury.

SECRET

*MPW*