

*cc Mr Wolfson  
Mr Duguid*



Treasury Chambers, Parliament Street, SW1P 3AG  
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PRIME MINISTER

*Prime Minister*

*Does the work not  
include their  
aspects already?  
no*

*The Chancellor sees some merit  
in a Bill of Rights. Do you  
wish to endorse his request  
(para 5) for protection against  
expropriation to be considered  
seriously in the present  
work?*

*MP 31/11*

BILL OF RIGHTS

I saw the Home Secretary's Memorandum H(80)78 of 28th November, and was content with the line proposed for reacting to Lord Wade's Bill. It has, however, prompted me to think a little more widely about the whole issue.

2. I am becoming increasingly impressed by the need, if we take a reasonably long view, to do everything we can to provide individuals with some protection against expropriation - or near expropriation - of their property. We found ourselves earlier this year unable to remedy what many have regarded as very unfair compensation terms under the Aircraft and Shipbuilding Industries Act 1977. And if threats made at the Labour Party Conference are to be believed and are ever fulfilled, a position may arise in the future when property is taken without any compensation being paid at all. This absence of protection is already to some extent an inhibiting factor in privatising enterprises in the public sector; at the least it could worsen the terms on which private participation can be obtained, and at the worst it could prevent privatisation altogether.

3. I readily understand the problems involved in securing protection of this kind. It would, of course, need to be entrenched adequately in order to be effective. And I can see that it could lead to awkward and potentially embarrassing



challenges in the more general area of human rights. There could also be public expenditure implications for the administration of justice - and for the cost of remedial action if adverse judgements came to be made. But if that expenditure represented no more than the cost of preventing or righting injustice, we could hardly - in logic - complain.

4. I have given some thought to the possibilities of casting what we wish to do in a form which can be represented as taking a European initiative. I am aware that the European Commission have made a proposal that the Communities should accede to the European Convention on Human Rights. However, as I understand it, such a proposal would not ease the practical difficulties I have already referred to and would in addition pose some formidable problems of Community competence and for the relationship between the European Court of Justice and the European Commission on Human Rights. So that particular approach appears to have little to commend it.

5. That does not, however, exclude the less complex possibility - envisaged in Lord Wade's Bill - of incorporating the rights established by the European Convention into our domestic legal system. It is this possibility which is still being studied interdepartmentally. I hope that that work will take full account of the feeling that I have expressed in favour of providing, if possible, much firmer protection for individuals against the risk of expropriation of their property.

6. I am sending copies of this minute to the Home Secretary, the Lord Chancellor and the Foreign and Commonwealth Secretary.

(G.H.)

30 December 1980

A handwritten signature in dark ink, appearing to be 'G.H.', written over a horizontal line.

30 DEC 1980

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**10 DOWNING STREET**

*From the Private Secretary*

5 January 1981

The Prime Minister has seen the Chancellor of the Exchequer's minute of 30 December, about Lord Wade's proposed Bill of Rights.

She has noted the Chancellor's concerns about protection for individuals from expropriation of their property, or acts by Government which nearly deserve that description. She hopes that the work in hand on incorporating the rights established by the European Convention into our domestic legal system is already taking account of these particular problems. She agrees with the Chancellor that this should be an important consideration.

I am sending copies of this letter to Stephen Boys-Smith (Home Office), Michael Collon (Lord Chancellor's Department) and Francis Richards (Foreign and Commonwealth Office).

**M. A. PATTISON**

Peter Jenkins, Esq.,  
HM Treasury.

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3/4