

CONFIDENTIAL

420



Foreign and Commonwealth Office

London SW1A 2AH

9 August 1983

Regard at

12/8

PL request

W...

Dear Caroline,

British Shipbuilders Nationalisation Compensation

- will request if required

Your letter of 22 July was marked as copied to me but we did not in fact see it until it was drawn to our attention separately through other correspondence.

The view here is that your letter may be over-optimistic as to the cases going to the Court and the likely outcome if they do. We have been told by the Secretary of the European Commission for Human Rights that we should not rule out the possibility that the matter will be referred to the Court; the Commission has so far taken no decision. And if reference is made to the Court, the outcome is unpredictable, since the Court is in no way bound to follow the Commission's view, although there is a reasonable prospect that it will do so.

There is no question of disagreement with your view that we should make no proposals for a friendly settlement, but I understand that it is for the FCO as agent in the cases to tell the Commission formally of HMG's position. We have already done so orally. I am copying this letter to the Private Secretaries in No 10, Treasury, Dept of the Environment and the Law Officers Department.

Yours ever

(J E Holmes)
Private Secretary

John Holmes

Miss Varley
Dept of Trade and Industry

Nat. Ind = Shipbuilding Pt 5

10 AUG 1983

