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A.J.C. 25

Treasury Chambers. Parliament Street, SWIP 3AG 01-233 3000

FOREIGN SECRETARY

PUBLIC EXPENDITURE WHITE PAPER: NET CONTRIBUTIONS TO COMMUNITY INSTITUTIONS

I have been thinking about your latest - undated - minute on whether the White Paper figures should assume that the disputed £42 million balance of our 1982 risk-sharing money will be paid by 31 March 1984.

- I take your point that the £42 million is not subject to the same 31 March deadline as our 1983 refunds. But in practice the two issues have frequently been linked (e.g. in the Prime Minister's Channel 4 interview). And, if we broke the link, we might well be asked whether the £42 million had in practice been written off, for the impression conveyed would be that we had dropped our claim. That would of course be quite wrong.
- Nevertheless I agree that we don't have to go out of our way to signal 'a formal public assumption' of payment by 31 March. I have therefore decided that the simplest way of getting round the problem is to leave the White Paper figures unchanged but to omit all reference to the £42 million in the text. I hope that you regard that as a satisfactory compromise - though we shall, of course, have to be prepared to say, if asked, that the figures do in fact assume payment by 31 March.
- 4. Copies of this minute go to the Prime Minister and Sir Robert Armstrong.

24 January 1984

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