CONFIDENTIAL PRIME MINISTER'S MEETING WITH CANADIAN PRIME MINISTER. SATURDAY 7 JULY, 1984 BRITISH PENSIONERS IN CANADA Line to take (if raised) We are keeping this question under review but for the present can see no prospect of the necessary finance being forthcoming to enable an immediate change in our present policy. Background There are 40,000 British National Insurance Pensioners in Canada who do not get the benefit of increases awarded to UK residents. Since the beginning of 1984 there has been much media interest in Canada and a campaign by the Canadian Government and Parliament to persuade the British Government to enter into an agreement to enable UK increases to be paid in Canada. There has also been some Parliamentary interest here. We have acknowledged that there is a problem. In recent weeks the problem has been exacerbated by the operators' strike at the Overseas Branch of the DHSS at Newcastle which has interrupted the payment of pensions overseas. Arrangements are being made to process payments in hardship cases. North America Department FOREIGN AND COMMONWEALTH OFFICE 6 July 1984 CONFIDENTIAL