



FCS/85/123

Pine Mark

CHANCELLOR OF THE EXCHEQUER

M

JK
2/5

Treatment of Members of Her Majesty's
Overseas Civil Service (HMOCS) in Hong Kong

1. Thank you for your minute of 12 March, and your agreement to my proposals.
2. As I said in my minute of 7 March to the Prime Minister, we intend that Hong Kong should finance the costs both of compensation arrangements and of sterling safeguards for the pensions of HOMCS officers, and this is what we shall aim for. However, if it proved impossible to persuade the Hong Kong Government to finance these arrangements, or if its successor after 1997 were to renege on arrangements made prior to 1997, it is only realistic to recognise that there would be strong pressure upon HMG to finance such arrangements themselves. Ministers would then have to decide how to react.
3. If HMG had at the end of the day to accept these commitments, the vote responsibility would naturally fall to the FCO/ODA. The same would be true of any liability arising from the Carr-Robinson assurance. The question of how expenditure should be financed would have to be discussed at that time, between the Ministers of the day.
4. I am copying this minute to other members of OD(K) and to Sir Robert Armstrong.

Foreign and Commonwealth Office

2 May 1985

L.M.

Hong Kong : Future A 17

12 MAY 1987

