

\$55m 'OFFER TO REMOVE PATTEN'

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THE British Conservative Party has refused to identify a Hongkong businessman reported to have offered it £5 million (HK\$55.6 million) to have Chris Patten eased out as Governor.

Peter Judge, whose brief as the party's first director-general was to turn the cash-strapped party's £19 million overdraft into a surplus in three years, said: "We never discuss the amounts given by individuals."

A female assistant said: "If you want details about this, you will have to talk to the Hongkong businessman concerned."

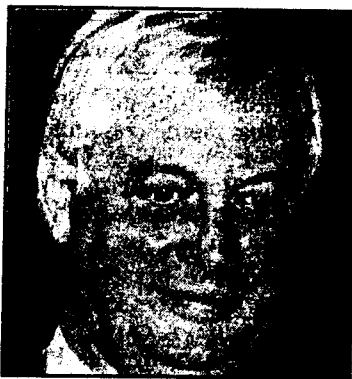
Officials at the party's central office in London refused to

comment on a claim that the Governor had offered to donate half his salary to the party - and that Prime Minister John Major rejected the offer.

Patten was understood to be willing to help the party pay libel settlement bills accruing from accusations he made as party chairman that a number of Labour MPs were members of the ultra-Left Militant Tendency movement.

A pamphlet naming a number of Labour MPs was produced and distributed by Patten in the run-up to the general election, and a resulting libel action has already cost the party more than £100,000 in damages and costs.

While the Tories closed ranks and remained tight-lipped over



CHRIS PATTEN: Offered to donate half his salary.

the linking of donations from Hongkong with the departure of the Governor, there was no secret about the diabolical state of the party's finances. Tory finances were at an all-time

low, and accounts out shortly were expected to show a £19 million deficit for 1992-93.

Opponents in Britain attacked the party several times for soliciting large donations from Hongkong businessmen.

London's *Sunday Times* reported in September 1991 that Li Ka-shing donated about £100,000 (then HK\$1.34 million) to the party after a private dinner with Major.

The next month the paper reported the late Sir YK Pao contributed £1 million.

Judge and party chairman Sir Norman Fowler launched a package of reforms and job cuts to reduce this year's running costs to £7 million against £12 million in 1992.

More than 40 per cent of jobs

have gone, area offices have been shut and finances have been overhauled.

A senior Tory said last night: "I don't want to comment on the strings attached regarding Patten's future, but in the present climate a gift of £5 million would be manna from heaven for the Conservative Party."

A Hongkong official who knows Patten well laughed off yesterday's stories.

He said the idea of him quitting for a £5 million hand-out was "left field", and "off the wall".

As for the Governor turning over half his salary, he said: "He's a generous and big-hearted man, but having won an election for the Tory party I guess he's paid his dues."