



Foreign and Commonwealth Office

London SW1A 2AH

1 July, 1983

Dear Sir,

Call on the Prime Minister by the Unofficial Members of the
Hong Kong Executive Council, 4 July 1983

The Governor of Hong Kong and all nine EXCO Unofficials are calling on the Prime Minister at 1530 on Monday 4 July for discussions on Hong Kong's future. They will have called on Sir Geoffrey Howe at 1100 the same day. Mr Luce is giving them lunch on 5 July.

I attach:

- / FLAG (a) a suggested line for the Prime Minister to take;
- / FLAG (b) a copy of the Group's programme;
- / FLAG (c) biographical notes on the members of the Group

As the Prime Minister is aware this is the first visit by a group of Unofficials since the Governor came with a smaller group in September 1982, prior to the Prime Minister's visit to the Far East. Since then Sir S Y Chung and Miss Lydia Dunn have been over separately and called on Ministers.

Although the EXCO Unofficials are kept fully in the picture and are closely consulted by the Governor on the content of the talks and on our strategy, they will welcome the Prime Minister's reassurance that we shall continue to work very closely with them and to take their advice into account throughout the talks.

Their visit here comes shortly before the talks move into a second phase on 12 July. As you know, the talks were announced on 1 July. Their announcement will add to the many rumours already circulating about the state of the talks, particularly in Hong Kong.

The Unofficials have expressed the wish (Hong Kong telno 848) to cover the following areas in their discussions with Ministers:

- (a) HMG's objectives in the negotiations;
- (b) consultation with EXCO;



- (c) a strategy for the opening phase of the substantive talks;
- (d) the state of confidence in Hong Kong;
- (e) HMG's and HKG's public relations stance.

As we agreed, Sir Geoffrey Howe, Mr Luce, Sir Anthony Acland and Mr Donald will attend from here.

Your servt
J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
Private Secretary
10 Downing Street



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CALL ON THE PRIME MINISTER BY THE GOVERNOR AND UNOFFICIAL MEMBERS
OF THE HONG KONG EXECUTIVE COUNCIL - 4 JULY 1983

SUGGESTED LINE TO TAKE

1. Valuable opportunity to keep up the dialogue. Attach great importance to EXCO's continuing advice and involvement.
2. Particularly appreciated your views during negotiation with Chinese of agenda for the second phase of talks. Believe we did well, without giving anything away. Glad the Governor will attend these talks. Our aim remains, in line with your wishes, the continuation of British administration beyond 1997.
3. In first stages we shall be ready to make our position clear as necessary. Obviously we shall have to counter Chinese views. But we shall aim to steer discussions towards practical issues which will underline importance of British link. Governor's presentation on how Hong Kong works will help to continue education of Chinese. Glad he has discussed this with you.
4. We shall need to consider next steps as talks develop. Careful consideration of Chinese ideas for sub-committees on specific areas. Terms of reference would be very important.
5. Conscious of fragility of confidence in Hong Kong. Grateful your assessment.
6. Keen to demonstrate our commitment to Hong Kong publicly. Problem of doing so without starting propaganda war which would

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lead to confrontation. Your visit will help. Hope Mr Luce
can go to Hong Kong soon.

Hong Kong Department

1 July 1983

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PROGRAMME FOR VISIT BY SIR EDWARD YOUDE GCMG MBE AND UNOFFICIAL MEMBERS OF THE EXECUTIVE COUNCIL OF HONG KONG: 4-5 JULY 1983

- Sir Edward Youde GCMG MBE
- Sir Sze-Yuen Chung CBE
- Mr Oswald Cheung CBE QC
- Mr Rogerio Lobo CBE
- Mr Li Fook-Wo CBE
- Dr Harry Fang CBE
- Mr Michael Sandberg CBE
- Mr Lo Tak-Shing CBE
- Mr David Newbigging OBE
- Miss Lydia Dunn CBE
- Mr G A Higginson (Private Secretary to the Governor)

SATURDAY 2 JULY

- 06.20 - Unofficial members and Mr Higginson arrive at Gatwick, flight BA 20. (Messrs Cheung and Newbigging, and Miss Dunn, are travelling separately.) HKGO car to St Ermins Hotel, Caxton Street SW1. (tel 2227888)

MONDAY 4 JULY

- 11.00 - Call on Secretary of State
- 3.30 - Call on Prime Minister

TUESDAY 5 JULY

- 12.45 - Lunch with Mr Luce, Lancaster House
- 3.00 - Call on Mr Luce
- 6-8.00 pm - Reception hosted by Sir E Youde and the Unofficial members, Carlton Gardens

WEDNESDAY 6 JULY

- 11.00 - Sir E Youde and Unofficials (excepting Messrs Cheung, Newbigging and Li) depart from Gatwick flight CX 200.

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PERSONALITY NOTES

1. Apart from the Governor, Sir Edward Youde GCMG MBE and his Private Secretary, Mr G A Higginson, the group consists of the following 9 Unofficial members of the Executive Council of Hong Kong:-
- a) Sir S Y Chung CBE. Aged 65. Senior Unofficial Member of Executive Council since 1980. Member of Legislative Council 1968-1978 and Executive Council since 1972. A self-made industrialist. Chairman of Sonca Industries Ltd and Grindleys Dao Heng Bank Ltd.
- b) Mr O V Cheung CBE QC. Aged 61. Barrister. A member of Executive Council since 1974 and Legislative Council 1970-1981. Director of Li and Fung Ltd and Ciba-Geigy (HK) Ltd. Honorary Colonel of the Royal Hong Kong Regiment (The Volunteers).
- c) Mr Roger Lobo CBE. Aged 59. Senior Unofficial Member of Legislative Council. Member of Legislative Council since 1972 and Executive Council since 1978. A businessman of Portuguese origin, and closely involved with Catholic charities and voluntary organisations.
- d) Mr Li Fook-Wo CBE. Aged 66. A member of Executive Council since 1978, and a member of Legislative Council 1973-1981. A banker from one of the inner group of established Hong Kong families.
- e) Dr Harry Fang Sin-Yang CBE. Aged 59. A member of Legislative Council since 1974 and Executive Council since 1978. A practising orthopaedic surgeon. World-wide reputation in the field of rehabilitation of the disabled.
- f) Mr Michael Sandberg CBE. Aged 56. A member of the Executive Council since 1978. Chairman of the Hong Kong and Shanghai Banking Corporation and Steward of the Royal Hong Kong Jockey Club.
- g) Mr Lo Tak-Shing CBE. aged 48. Member of Legislative Council

since 1974 and Executive Council since 1980. Solicitor and director of a number of Hong Kong companies including Swire Pacific Co Ltd and China Light and Power Co Ltd.

h) Mr David Newbigging OBE. Aged 49. Member of Executive Council since 1981 and member of Legislative Council 1978-1982. Chairman and former Managing Director of Jardine, Matheson, and Co Ltd and Director of numerous other Hong Kong Companies. Chairman of Hong Kong Tourist Association.

i) Miss Lydia Dunn CBE. Aged 43. Member of Legislative Council since 1976 and Executive Council since 1982. Director of John Swire and Sons (Hong Kong) Ltd and of the Hong Kong and Shanghai Bank. Chairman of the Hong Kong ^{Trade} Development Council and member of the Textiles Advisory Board.

2. Sir S Y Chung, Mr Lobo, Mr Li and Miss Dunn were in the group who accompanied Sir E Youde to London in September 1982 and called on the Prime Minister, The Secretary of State and Lord Belstead. Sir S Y Chung has visited London on a number of occasions since then, and Miss Dunn saw Mr Luce on 20 June.