Foreign and Commonwealth Office LONDON SW1A 2AH

Prime Minister (4)

PRIME MINISTER

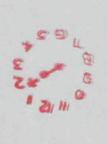
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THE FUTURE OF HONG KONG

I have pleasure in enclosing a copy of the statement on the future of Hong Kong made by the Foreign and Commonwealth Secretary in the territory on Friday 20 April.

2. I am copying this minute to all members of the Cabinet and Law Officers, and to the Lord Advocate and Solicitor-General.

Richard Luce 24 April 1984



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Statement by
the Secretary of State
for
Foreign and Commonwealth Affairs
in Hong Kong

20th. April 1984

STATEMENT BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS IN HONG KONG, 20 APRIL 1984 As you know, I have just come from three days of meetings with Chinese leaders in Peking. I spent most of my time there in discussions about the future of Hong Kong. Before answering your questions, I should like to say something about the way in which the British Government is approaching these important negotiations. Let me say, right at the start, that I am very much aware of the problems and anxieties for the people of Hong Kong which arise from the confidentiality of the negotiations. I greatly appreciate the patience which they have shown. The negotiations are still in progress. And confidentiality is important for their success. So I do not propose today to go into detail about what is being discussed. A number of important points still have to be settled. But I should like to tell you how I see the situation and the likely way ahead. Formal discussions about the future of Hong Kong were started in September 1982, when the Prime Minister visited Peking. We then agreed with the Chinese Government to enter into talks through diplomatic channels, with the common aim of maintaining the prosperity and stability of Hong Kong. When we started /those

share a desire to see the continuation in Hong Kong of systems and distinct way of life, and which offers a service to the world as an industrial, commercial and financial centre. Against that background, it is possible to foresee a situation in which Hong Kong would, as part of China, enjoy a high degree of autonomy. In such a situation, that autonomy would extend to administration, the making of laws, the maintenance of Hong Kong's own familiar system of justice, and responsibility for public order in the territory. Under such arrangements, the laws of Hong Kong, including the written and common law, would be based upon the present system: existing freedoms would be maintained - freedom from arbitrary arrest, freedom of religion, assembly and speech, freedom of travel, and freedom of the Press. Hong Kong would manage its own public finances, within which taxes levied in Hong Kong would, as now, be employed in Hong Kong for the benefit of Hong Kong people. And, under such arrangements, Hong Kong's extensive and direct economic relationships with the world would continue. Hong Kong would remain an important participant in regional and world economic organisations. And there would be a

which will enshrine that principle of continuity for this unique society.

As I said, we are still negotiating. Several points of substance remain to be resolved. I cannot anticipate the details of an eventual agreement. We are working to a programme which takes account both of Chinese wishes and of all our own requirements. The agreement which is reached must be such that we can commend it to Parliament. I know very well that people in Hong Kong will need to know the terms of the agreement and have time to express their views. And Parliament itself will need time to reflect and take account of those views.

Let me then sum up. These are complex and difficult negotiations. We are still some way from an agreement. But a good deal of progress has been made. And there is a will on both sides to bring our work to fruition in an agreement, which will ensure the stability and prosperity of Hong Kong. I can assure you that, for the British Government, this remains a prime objective.

