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10 DOWNING STREET

From the Private Secretary

3 December 1984

Dear Pete,

Hong Kong: UMELCO Statement
on the future of Hong Kong

Thank you for your letter of 29 November enclosing a letter from Sir S Y Chung to the Prime Minister together with a copy of the UMELCO statement on the future of Hong Kong.

The Prime Minister has noted this. I agree that since she is seeing Sir S Y Chung and an UMELCO delegation this week, no written reply is required.

Yours sincerely,
C D Powell
C D Powell

Peter Ricketts Esq
Foreign and Commonwealth Office

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Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister (2)

29 November, 1984

To see - especially the
second page of the leaflet.

Dear David,

End
307.Hong Kong: UMELCO Statement on the Future of Hong Kong

I enclose a letter from Sir S Y Chung to the Prime Minister covering a copy of the UMELCO statement on the future of Hong Kong. I understand that UMELCO have sent copies of this statement to all MPs and members of the House of Lords.

Given that the Prime Minister will be seeing Sir S Y Chung and his UMELCO delegation next week we do not believe that a written reply is necessary.

The statement is generally constructive. We shall take it into account in preparing briefs for the Prime Minister's meeting with the Unofficials on 5 December.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private SecretaryDavid Barclay Esq
10 Downing Street

UMELCO

Office of Unofficial Members of Executive and Legislative Councils
行政立法兩局非官守議員辦事處

28th November 1984

Rt Hon Margaret Thatcher, MP
The Prime Minister
10 Downing Street
LONDON, SW1
UK

(Circular letter)

Dear Prime Minister,

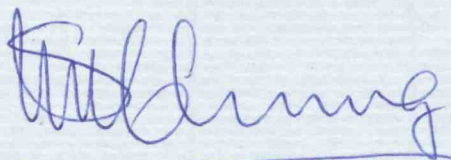
Subject: The Future of Hong Kong

On 26th September 1984 in Peking (Beijing), representatives of the Governments of the United Kingdom and of the People's Republic of China initialled the draft text of an Agreement on the future of Hong Kong.

We understand the draft Agreement will be debated by both Houses of Parliament early in December. To assist Members to understand the views of the people of Hong Kong, and particularly the various matters of concern and questions of detail which have been raised in Hong Kong since 26th September, we are sending a delegation to London to meet with Ministers and Members before the parliamentary debates.

We will arrive in London on 1st December, staying at the Portman Inter-Continental Hotel, Ph. 486-5844, and hope to have the opportunity to meet with you. It would be appreciated if you would contact the Hong Kong Government Office, Ph. 629-0598, Mr S A Webb-Johnson, to advise a time and place convenient to you. We are also pleased to forward to you in advance the paper attached which sets out the position of the Unofficial Members of both the Executive and Legislative Councils.

Yours sincerely,



S Y CHUNG
Senior Unofficial Member

Statement issued by the Unofficial Members of the Hong Kong Executive and Legislative Councils on
29th November 1984

THE FUTURE OF HONG KONG

Introduction

Unofficial Members of the Executive Council and the Legislative Council* (UMELCO) have always been aware of the concern of the people of Hong Kong about their future, and on the arrival of the Governor in May 1982, the Senior Member stressed publicly the importance and urgency to the people of Hong Kong of the satisfactory resolution of this issue.

Since the Sino-British talks on the future of Hong Kong began in late 1982, UMELCO have received many representations about Hong Kong's future up to and beyond 1997.

Before the debates took place in the two Houses of British Parliament in May this year, UMELCO sent a delegation to London and issued a statement to reflect the anxieties and wishes of the people of Hong Kong: there they listed, *inter alia*, the four most important criteria by which the acceptability of the Sino-British Agreement to the people of Hong Kong would be judged.

Briefly, these are, *first*, that the Agreement must contain full details of the proposed administrative, legal, social and economic systems applicable in Hong Kong after 1997; *second*, that it must state that the provisions of the Basic Law will incorporate the relevant provisions of the Agreement; *third*, that it must provide adequate and workable assurances that the terms of the Agreement will be honoured; and *fourthly*, that the rights of Hong Kong British Nationals must be safeguarded.

Following its publication, UMELCO received a large number of representations from a wide cross-section of the community expressing their support. The South China Morning Post commissioned an independent research firm to conduct a survey, which showed that 82% of the community approved fully or in part of the statement. In addition, about 70% of the elected and appointed Unofficial Members of the 18 District Boards gave their support.

Three Unofficial Members went to Beijing in June this year and reflected to the Chinese leaders, including Chairman Deng, the anxieties and wishes of the people of Hong Kong. They also made three major proposals to the Chinese leaders, proposals which they considered would help to enhance the confidence of the people of Hong Kong about their future.

These three major proposals were *first*, that the Sino-British Agreement must be detailed and binding and the Basic Law must be based on the Agreement; *second*, that the people of Hong Kong should participate in the drafting of the Basic Law and those sections relating to Hong Kong's internal

* The Governor consults the Executive Council in the execution of the powers and authorities granted to him by Letters Patent, and acts on its advice. At present, it consists of 4 Ex-officio Members, 2 Official Members and 10 Unofficial Members, appointed by the Governor.

The Legislative Council consists of 3 Ex-officio Members, 13 Official Members and 30 Unofficial Members. It enacts legislation and controls public expenditure.

The Unofficial Members are appointed from a wide spectrum of the community. Through their membership of over 300 boards and committees, including District Boards, the Urban Council and the Heung Yee Kuk, dealing with public affairs, with educational and legal matters, and with all facets of Hong Kong's economic and social life, Unofficial Members are in touch with all sectors of the community.

Apart from their duties in the two Councils, they monitor the effectiveness of the public administration, and consider complaints by members of the public against Government, for handling which they have far wider powers than is possessed by any Ombudsman.

affairs should be drafted in the territory, and not amended except at the initiation of Hong Kong; and *third*, that a committee of Chinese people of international standing should be appointed by China to monitor and advise on the drafting, implementation and subsequent amendments to the Basic Law.

Their trip to Beijing also received overwhelming support from the public. A second poll taken by the same independent research firm showed that eight out of ten agreed with the UMELCO visit to Beijing; 74% supported the *first*, 78% the *second*, and 61% the *third* major proposal.

Acceptability of Joint Declaration

Since its publication on 26 September 1984, all the Unofficial Members, with the exception of two Members in the Legislative Council, have endorsed and commended the Draft Agreement to the people of Hong Kong. The Draft Agreement or Joint Declaration, in their view, does meet substantially the four basic criteria contained in the UMELCO statement made in London in May. Furthermore, there are in the Joint Declaration many positive features which are to be welcomed and it contains much more detail than many people originally expected. It is a mutually binding agreement, freely negotiated and entered into between two sovereign states.

All the 18 District Boards, as well as the Urban Council and the Heung Yee Kuk, have found the draft Joint Declaration generally acceptable. Unofficial Members, in conjunction with some newspapers, commissioned an independent research firm to conduct a territory-wide survey covering 6,000 randomly selected adults above the age of 18. The results of this professional survey indicated that the majority of the people of Hong Kong found the Draft Agreement generally acceptable and that 90% of the respondents preferred the Agreement to no Agreement at all.

Whilst the Draft Agreement is acceptable as a whole to the majority of the community, some concern and points of detail have been raised. In particular, there is anxiety about interference from the Chinese Government; worry about conscription in the Hong Kong Special Administrative Region; uncertainty about the acceptability to third countries of the new form of British passport; doubt about the preservation of existing human rights and personal freedoms; fear about the stationing of PLA troops in Hong Kong; resentment about the termination of transmissibility of British nationality for Hong Kong BDTCs in 1997; reservations about possible incompatibility between the constitution of the People's Republic of China and the future Basic Law of Hong Kong; and concern about the faithful implementation of the Agreement and the policies of future Chinese leaders.

There are also very strong requests that the people of Hong Kong should not only be consulted on, but should actively participate in, the drafting of the Basic Law and that Hong Kong people should also sit on the Sino-British Joint Liaison Group.

The ultimate success of the Joint Declaration depends on people's confidence that it will be implemented faithfully and that matters of concern and questions of detail which have been raised are satisfactorily resolved and clarified by the two signatory Governments. Therefore, in accepting the Agreement, we urge both the British and Chinese Governments to take steps to reassure the people of Hong Kong in these respects.

Move to Representative Government

Given that Hong Kong will be a Special Administrative Region within China after 1997, with an elected legislature enjoying a high degree of autonomy, it is essential that a government structure consisting largely of local people is in place and in proper working order well before 1997. It is therefore necessary to move to a more representative form of government, transferring the powers of the present colonial government to the elected representatives of the people of Hong Kong.

In this respect, UMELCO welcome and support the basic proposals and the progressive approach outlined in both the Green and White Papers on the Further Development of Representative Government in Hong Kong. However, Unofficial Members echo the caution expressed in many quarters against any rapid or radical changes which may put at risk Hong Kong's *raison d'etre*, that is, stability and prosperity.

Hong Kong is not an independent state and can never be. Despite the promise of a high degree of autonomy, its subsidiary relationship with the Chinese Central Government must be understood and accepted. Parliamentary government as practised in the West, featuring adversarial politics, is not necessarily suited to Hong Kong, recognising Hong Kong's unique status and the political constraints placed upon it by this status. Hong Kong must, therefore, devise its own unique style of representative government, building on the proven elements which have been responsible for Hong Kong's success.

The Next Twelve Years

Most people in Hong Kong believe that only if stability and prosperity are maintained in the period prior to 1997 can there be any hope that stability and prosperity will be continued for fifty years after 1997. It is therefore generally felt that the next twelve years will be critical and crucial to Hong Kong's continual success beyond 1997. It is essential, therefore, that all concerned, Britain, China and the people of Hong Kong, play their part in furthering Hong Kong's stability and prosperity in the next 12 years.

The main task for Her Majesty's Government in the next twelve years is to ensure a smooth transition, so that 1997 does not represent an abrupt break with the past, but the continuation of a gradual process of evolution. To allay fears of Britain losing interest in Hong Kong, it is important that HMG continue to govern Hong Kong effectively. It must demonstrate its continual determination, resolve and commitment to Hong Kong's stability and prosperity.

The Chinese Government must demonstrate its willingness to listen to the views and wishes of the people of Hong Kong. In particular, given the great significance attached by the people of Hong Kong to the Basic Law, it is hoped that, as was suggested by the Unofficial Members to the Chinese leaders in Beijing in June this year, the people of Hong Kong should be consulted on, and participate in, the drafting of the Basic Law.

As for the people of Hong Kong, they understand that the aim of the draft Agreement is the maintenance of Hong Kong's stability and prosperity, and that stability and prosperity are the product of, among other qualities, their energy, talent, industry and confidence. The Agreement provides a sound basis on which to continue to apply these attributes. The people of Hong Kong are ready and willing to take on the challenge of the new circumstances they face. Given understanding and sensitivity by the two signatory Governments and their firm commitment to implementing the Joint Declaration in both letter and spirit, the people of Hong Kong will succeed in maintaining Hong Kong's stability and prosperity, and in making the draft Agreement work.

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