



Foreign and Commonwealth Office

London SW1A 2AH

4 December 1984

*AM*  
*4/xi*

*Dear Charles,*

Call on the Prime Minister by the UMELCO Delegation:  
0930 on 5 December

The UMELCO delegation led by Sir S Y Chung will call on the Prime Minister at 0930 on 5 December. They will previously have spent three-quarters of an hour with the Foreign Secretary.

/ I enclose a brief and a list of the delegation and the statement circulated by UMELCO to Members of Parliament and the House of Lords.

The Foreign Secretary will be briefed to respond, at his earlier meeting, to the detailed points raised in the discussions on 3 December with Mr Luce. It should not therefore be necessary for the Prime Minister to go over this ground again. The speaking note includes general points on the agreement and on the Prime Minister's forthcoming visit to Peking and Hong Kong, together with a brief defensive line on the general points most likely to be raised by the delegation. In case the delegation do revert to any of the points raised with Mr Luce, I enclose a copy of the more detailed speaking note which the Foreign Secretary will use in replying to them.

The delegation may seek assurances from the Prime Minister that each of the points raised in their statement and their discussions with Ministers will be taken up in her talks in Peking. Certain of those points (for example, the stationing of PLA in Hong Kong after 1997 and the liability of Hong Kong people for conscription) are particularly sensitive. If they are taken up formally and at the highest level with Chinese leaders, there is a real danger of an immediate and dismissive response at the highest level, which would make further progress later impossible. We therefore propose that the Prime Minister should not commit herself to dealing with every point in Peking.

/On

Ricketts to Power, 4/2/84



Foreign and Commonwealth Office

London SW1A 2AA

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On past occasions when UMELCO have called on the Prime Minister there has been an agreed press statement, the text of which has been agreed at the meeting itself. UMELCO will probably expect the same again. There is the advantage that we can reasonably insist that it should cover their endorsement of the agreement as well as their doubts and concerns. I enclose a suggested draft.

*Yours ever,*

(P F Ricketts)  
Private Secretary

*P F Ricketts*

C D Powell Esq  
10 Downing Street

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CALL ON THE PRIME MINISTER BY THE UMELCO DELEGATION: 0930 HOURS : 5  
DECEMBER 1984

POINTS TO MAKE

1. Glad to see you in London again. Understand why you wish to come and explain your understanding of feelings in Hong Kong. Your presence here for debates is most helpful. Have read your statement with care.
2. Appreciate clear public support given by UMELCO to draft agreement. This has no doubt contributed to positive reaction in Hong Kong. Many UMELCO members have spoken very helpfully about agreement both in Hong Kong and abroad.
3. Acceptability report has been very helpful, both in that it indicated general acceptance of agreement, and in that it gives an extremely good summary of the various worries and concerns of people in Hong Kong about the future. Will be very good basis for our future discussions with Chinese in Joint Liaison Group.
4. Know that you described your own concerns to Richard Luce on 3 December, and understand that Geoffrey Howe planned to deal fully with them at your meeting this morning. suggest we do not need to go over details again.
5. By going to Peking to sign agreement, intend that signature should be as high-level and formal an act of commitment as possible. Will seek to lay foundation for constructive co-operation with Chinese Government over implementation of agreement. Will emphasise to Chinese leaders our intention to stick to agreement and our expectation that they will do the same.
6. In Hong Kong intend to address local concerns about agreement and to emphasise our continuing commitment to Hong Kong. Will encourage Hong Kong people to have confidence and build their own future. Will also tell the world that Hong Kong remains very much in business as a partner for trade and investment.
7. Understand concerns that have been expressed in Hong Kong about



aspects of agreement. Hong Kong people naturally feel anxiety about changes ahead. Fought hard in negotiations but could not get everything we wanted. Less than ideal in some areas (such as nationality, constitutional arrangements). But taken over all it is a good and workable agreement. China has every incentive to abide by it.

8. Up to 1997 we shall remain fully committed to administration of Hong Kong. Will aim to maintain stability and prosperity, to base its administration firmly on local foundations, and to facilitate smoothest possible transition.

#### DEFENSIVE

WILL YOU CONVEY UMELCO'S CONCERNS TO CHINESE LEADERS?

9. Shall certainly use points raised by you today, as well as concerns listed in Assessment Office report, as basis for future discussions with Chinese. But some points are very sensitive. Not necessarily best approach to raise directly with senior leaders. Most use own judgment to decide how each topic can best be handled.

#### BASIC LAW

10. Agree Basic Law vital. Must properly incorporate provisions of agreement. China will draft, but hope Chinese will consult Hong Kong people properly. Joint Liaison Group gives full scope for co-operation on implementation of agreement.

#### PRESS LINE

11. Suggest short press statement as in attached draft. If pressed further : No objection to UMELCO telling press what matters they have raised with me (but would prefer you not to say what matters you've asked me to raise with Chinese leaders). Prefer you not to reveal what I have said to you.

*Names deleted and closed  
under FOI Exemption.  
Wayland, 3/7/14*

## BACKGROUND

1. The UMELCO delegation is a follow-up to the delegation which came here in May. Since it is composed of both officials of the Executive and the Legislative Council, there are some members of the delegation who are not fully in HMG's confidence as Executive Council members are. The conversation will be somewhat constrained by that fact.

2. Following is a brief summary of points made when the delegation called on Mr Luce on 3 December: they had evidently decided to split up the various points among them and made a series of set speeches introduced by [redacted]

[redacted] Hong Kong people still worried about possibility of Chinese interference. Not long since Deng said China would interfere if there was unrest in Hong Kong. The Land Commission would hamper the public works programme in Hong Kong. The Joint Liaison Group should not become a shadow government.

[redacted] Britain should persuade China to declare that there would be no conscription. Fear that PLA stationed in Hong Kong might become real government authority. HMG should continue to persuade Chinese not to station troops in Hong Kong.

[redacted] There should be no change in format of passport issued to BDTs before 1997. Modern technology should be capable of coping with problems of a last-minute change in 1997. Processing of applications could be done before.

[redacted]. Chinese Constitution provides for similar human rights as agreement, but China does not observe them. HMG has responsibility to keep a watchful eye after 1997, and of trying to intervene if human rights appeared at risk. Firm position now would help alleviate doubts.

[redacted] People resent failure to obtain transmissibility of nationality. When UMELCO delegation went to Peking Ji Pengfei said China could accept transmissibility. Feeling

that British Government did not fight hard enough and had given in under pressure from CPG. Need to explain position clearly or HMG would be blamed.

Genuine fears of people who under Chinese nationality law were not Chinese, and did not wish to become Chinese citizens. New nationality status was not transmissible. People afraid of becoming stateless. Had been in Hong Kong for generations and British from beginning. If fears of these people were not allayed, anti-British attitude could develop.

Fears about incompatibility between Chinese Constitution and Basic Law. Article 31 possible incompatible with other parts of Chinese Constitution which state (Article 1) that socialism is practised in China and (Article 5) that no local law or local administrative rules shall conflict with the Constitution. Need for someone from Hong Kong to be present on drafting committee who can understand how Hong Kong Courts would look at such matters.

Concern whether or not China would implement agreement. Also concern about firmness of British administration in next 12 years. This needed to give Hong Kong people a chance to become accustomed to developments in China and perhaps to see succession to Deng.

Hong Kong people must be consulted and participate in the drafting of the Basic Law. Chinese position on this not consistent. HMG has duty as signatory to see that Basic Law fully complies with provisions of Joint Declaration. Something must be said in the debate, no matter how delicate the matter. Basic Law should be drafted in Hong Kong, where all skills available.

Joint Liaison Group: implementation of agreement as much for Hong Kong people as for two Governments. Hong Kong people should participate in the Joint Liaison Group. This would give reassurance to Hong Kong people that their interests being respected. HMG should appoint Hong Kong people to sit on Joint Liaison Group, and should persuade Chinese Government to do the same.

Concern about move to more representative government. Pace might be too fast and could put at risk stability and prosperity in Hong Kong. Fear that pressure from vocal minority as excuse to push constitutional progress forward too fast. High degree of autonomy not the same as self-determination. Cannot slavishly copy forms of Western democracy.

3. After the meeting the EXCO members of the delegation asked to see Mr Luce separately. They referred to the recent decision by Ministers to achieve termination of sovereignty by a clause in the Bill rather than by a later Executive Order-in-Council. they did not wish to raise the substance of this, but were concerned that nothing should be said in the debate about the exact form of the legislation. This was primarily because the LEGCO members of the delegation had not been told of the problem. If something were said now it might lead them to lobby on the point.



BRIEF FOR SECRETARY OF STATE'S USE WITH UMELCO DELEGATION, 0845  
HOURS 5 DECEMBER 1984

## POINTS TO MAKE

1. Glad to see you in London again. Very helpful that you could come to assist with these debates. Have read your statement with interest.
2. Acceptability report has been very helpful, both in that it indicated general acceptance of agreement, and in that it gives an extremely good summary of the various worries and concerns of people in Hong Kong about the future. Will be very good basis for our future discussions with Chinese in Joint Liaison Group.
3. Would like to reply briefly to points raised with Richard Luce on 3 December. Have received a full report. Shall obviously be dealing with many of these in debate this afternoon.

## GENERAL WORRIES ABOUT IMPLEMENTATION OF AGREEMENT \* ~

- ~ \*
4. Natural that people should be concerned. But best guarantee of observance of international agreements is self-interest. China will have very strong interest both in scrupulously observing agreement, and making sure it works. Chinese national prestige closely bound up in this. Also strong economic reasons. Also little chance of reunification with Taiwan if this agreement goes wrong. These factors not likely to change even with change in succession in China.
  5. Of course fact that there is international agreement to which Britain is party gives Britain the right to raise with China after 1997 any departures from agreement.

\* ~ \* Names deleted and  
closed under FOI  
Exemption. *Wayland*  
3/7/14

## BRITISH ADMINISTRATION BEFORE 1997 \* ~ \*

6. Accept importance of British administration being fully maintained before 1997. Will give people from time to adjust to idea of transfer of sovereignty, and hopefully time to acquire more confidence in stability of Chinese policies.

## BASIC LAW \* ~ \*

7. Agree Basic Law vital. Also agree Britain must be satisfied that Basic Law properly incorporates agreement both in letter and spirit. Must be drafted by Chinese, as has to be passed by Chinese National People's Congress. Unrealistic to expect it to be drafted in Hong Kong. But hope Chinese will consult Hong Kong people properly: Chinese spokesmen have indicated would do so, but my impression is they have not yet decided mechanism. Joint Liaison Group gives full room for co-operation between British and Chinese Government.

## INCOMPATIBILITY BETWEEN BASIC LAW AND CHINESE CONSTITUTION

\* ~ \*

8. I know some concerns have been voiced about this (especially in Bar Association). However do not think these concerns really justified. A political as much as a legal question. Intention of Article 31 of Chinese Constitution clearly to provide exceptions from general norm of China: probably drafted with Hong Kong and Taiwan in mind. No question but that was intended to allow non-socialist policies to be pursued in special regions in China.

## HONG KONG REPRESENTATION IN JOINT LIAISON GROUP \* ~ \*

9. Composition of Joint Liaison Group not yet decided. Terms of reference of group framed to permit each side to choose its own representatives. Hong Kong Government officials will certainly be included. But organisation will be a diplomatic body, and unlikely to be possible for non-official representatives to take part. EXCO will certainly be fully consulted on our approach in Joint Liaison Group.

## CONSCRIPTION/PLA \* ~ \*

10. Understand people's fears. Since defence is Chinese responsibility, clear they have right to station troops in Hong Kong if they see necessity. Hong Kong people's fears about this very clear in assessment report, and will certainly use as basis for our discussions with Chinese. But great care needed: all too easy to force Chinese to reaffirm their rights for sake of national pride.

11. Same goes for conscription. Do not think in practice that Chinese likely to be anxious to recruit in Hong Kong, but very hard to get them to say outright that they will not.

## HUMAN RIGHTS \* ~ \*

12. Believe agreement text very satisfactory in this respect. Arguable that China does not observe the (much lesser) human rights specified in her Constitution. But in this case under international obligation to us. Certainly would have right to intervene if agreement not observed.

## NATIONALITY QUESTIONS: PASSPORTS \* ~ \*

13. You argued that should be no change in passport format before 1997. Still working out exactly how agreement can be implemented. No decisions yet on passport format. But new status will carry broadly same privileges as BDTIC status (except transmissibility). Should remember that BDTIC passport cannot be valid after 1997 under agreement. Questionable whether sudden change of passport style in 1997 is best way of ensuring acceptable to foreign governments. HMG will certainly work hard to achieve proper acceptance by foreign governments.

## STATELESSNESS \* ~ \*

14. Understand concerns of non-Chinese BDTICs. However no one will be made stateless by the agreement. We shall provide in legislation for non-Chinese BDTICs who do not acquire new status by 1997, and children of non-Chinese BDTICs born after 1 July 1997, to have a form

\* ~ \* Names deleted and closed  
under FOI Exemption  
CWayland, 3/7/14

of British nationality if they would otherwise be stateless. Will make position clear in debate.

TRANSMISSIBILITY \* ~~~~~ \*

15. Understand disappointment that transmissibility not obtained. Fought very hard for it and only gave up at very last moment when quite clear Chinese would not agree to it. Unfortunate that Ji Pengfei should have apparently said Chinese could agree to it. Their position was quite the contrary. HMG would have agreed to it if Chinese had been willing. Will try to make clear in debate.

CONSTITUTIONAL DEVELOPMENT \* ~~~~~ \*

16. White Paper provides for step-by-step approach. Fully aware of concern that too many changes are made too quickly. Can review progress in 1987: clearly no commitment that further changes will then be made unless considered them to be right.

DEFENSIVE

WILL YOU RAISE THESE POINTS IN PEKING?

17. Shall certainly use the matters raised in the report of the Assessment Office as basis for future talks with Chinese. Similarly those raised by you. How and when some of these matters are raised will require careful judgement.

PRESS LINE TO BE TAKEN BY UMELCO

18. Suggest you speak freely to the press about matters which you have raised with me (although would prefer you not to say specifically what you have asked me and the PM to raise in Peking). Prefer you not to say what my replies were: better that they should be made in the debate.

FORM OF LEGISLATION ON TERMINATION OF SOVEREIGNTY

19. Understand you would prefer nothing to be said about this in the debate. Shall refer to the need to bring legislation in next

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year and to its general purpose. But do not think it will be necessary to speak of the exact form or mechanisms of the legislation.

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UMELCO DELEGATION

Sir S Y Chung CBE

Executive Council

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ACT 2000

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

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\* 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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UMELCO

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Office of Unofficial Members of Executive and Legislative Councils  
Swire House, 12th floor, 9-25 Chater Road, Hong Kong. Tel: 5-264027  
Telex: 62553 UMELC HX



CALL ON THE PRIME MINISTER BY THE UMELCO DELEGATION  
POSSIBLE PRESS STATEMENT

A delegation representing the Unofficial Members of the Executive and Legislative of Hong Kong, led by Sir S Y Chung, called on the Prime Minister this morning. They <sup>and ~~her~~</sup> ~~explained to her~~ <sup>lots</sup> ~~their~~ understanding of the views of the Hong Kong people on the draft agreement on the future of Hong Kong, as reflected in the statement issued by the Unofficial Members on 29 November,

The Prime Minister thanked the delegation for the endorsement which ~~almost all of the Unofficial Members~~ <sup>been</sup> had given to the draft agreement. She noted their judgment that the draft agreement was acceptable as a whole to the majority of the Hong Kong community, which accorded with the conclusions reached in the reports by the Assessment Office and the Independent Team of Monitors. She stated that the concerns of the Hong Kong people ~~expressed in all those documents~~ would be fully taken into account by the British Government <sup>and</sup> in its future <sup>discussions</sup> exchanges with the Chinese Government.

*emphasized wholehearted*

The Prime Minister ~~reaffirmed~~ <sup>emphasized</sup> the commitment of the British Government to work for the ~~full implementation of the~~ agreement and <sup>to</sup> maintain the effective administration of Hong Kong up to 1997,

*July 1997* <sup>that is</sup> *assure the continuity stability* <sup>as to be</sup> *ventures*