

MR. POWELLCDD
2093IMMIGRANTS FROM HONG KONG

The Prime Minister discussed with the Home Secretary this afternoon her recent correspondence with him about granting British nationality to certain Hong Kong Chinese businessmen.

The Prime Minister said that she found the Home Office arguments against giving the businessmen citizenship incompatible with arguments advanced by the FCO about the future of the Hong Kong and Shanghai Bank. The businessmen should, it was suggested, show signs of personal commitment to this country before naturalisation while the Foreign Office argued that the Hong Kong and Shanghai Bank should not be permitted to move its Headquarters here for fear of undermining the Hong Kong agreement.

The Home Secretary referred to his difficulties in granting these rich Chinese citizenship when thousands of Indians in Hong Kong were in an even more unprotected position. The Prime Minister suggested that the Chinese concerned should be given citizenship after, e.g. having been resident for six months and having bought a house here.

The Home Secretary undertook to discuss the wider issues involved with the Foreign Secretary and to report further to the Prime Minister.

N.C.W.

N. L. WICKS

19 March 1986