



Foreign and Commonwealth Office  
LONDON SW1A 2AH

Prime Minister (4)

PRIME MINISTER

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

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those talks, it was our intention to remove the uncertainty over the future of the territory. That remains our intention. The uncertainty arises from the fact that the lease on 92 percent of the territory is due to expire in 1997. It was and still is our intention to work out arrangements for the future that will be in the best interests of the people of Hong Kong. The expiry of the lease is a fact we could not and cannot ignore.

I want to emphasise that throughout the talks we have kept in close contact with the Governor and with members of the Executive Council. Through them, through the Legislative Council, and through visits to Hong Kong by British Ministers (most recently by Mr Luce), we have kept in touch with a wide range of opinion here. The hopes and aspirations of the people of Hong Kong have been very much in our minds. Our chief concern has been to preserve the way of life of Hong Kong, a way of life which lies at the heart of the territory's success. We know that the preservation of that way of life depends upon continuity: continuity in the essentials of the legal, economic, social and administrative systems: and maintenance of the freedoms that people in Hong Kong now enjoy.

I spoke about this in a debate in the House of Commons only a few weeks ago. I pointed out then that continuity in Hong Kong is at present assured by

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British administration. The terms of an agreement between the British and Chinese Governments still have to be worked out. But it is right for me to tell you now that it would not be realistic to think of an agreement that provides for continued British administration in Hong Kong after 1997. For that reason, we have been concentrating on other ways of securing the assurances necessary for the continuity of Hong Kong's stability, prosperity and way of life.

I believe there is a basis on which this can be achieved. The Chinese Government have made it clear publicly that they recognise the special circumstances of Hong Kong, and that they want its social and economic systems and lifestyle - in many ways so different from those of mainland China - to remain unchanged. We share with the Chinese Government the strongest possible common interest in that objective. Our approach to the talks has, therefore, been to examine with the Government of China how it might be possible to arrive at arrangements that would secure for Hong Kong, after 1997, a high degree of autonomy under Chinese sovereignty, and that would preserve the way of life in Hong Kong, together with the essentials of the present systems.

With this in mind, the British Government's objectives are clear: a framework of arrangements that will provide for the maintenance of Hong Kong as

a flourishing and dynamic society: and an agreement in which these arrangements will be formally recorded.

I believe that the British and Chinese Governments share a desire to see the continuation in Hong Kong of a society which enjoys its own economic and social 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

place for outside people, from Britain and elsewhere, to go on making a contribution to life in Hong Kong. Hong Kong would maintain its cultural life and links with the outside world.

The Chinese Government have made it clear publicly that they see the administration of Hong Kong, after 1997, as being in the hands of Hong Kong people themselves. This would follow a process of development which I am glad to say is already under way, and which I expect to evolve further. During the years immediately ahead, the Government of Hong Kong will be developed on increasingly representative lines.

I recognise and understand that the prospect of change causes real concern. My contacts here in the last two days have borne this in upon me very clearly. It is natural that people are anxious to know what the future will hold. We listen carefully to the views of Hong Kong people and take full account of those views in the negotiations. My discussions with the Chinese leaders have convinced me that they want the Hong Kong systems to remain fundamentally as they are. We have stressed all along the need for firm assurance that arrangements for Hong Kong's continuing prosperity and stability based on effective autonomy, will continue. The Chinese Government have made it clear publicly that they intend such arrangements to last for at least fifty years from 1997. We are working for an agreement

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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.

