

File No. ....

OUTWARD

Department .....

TELEGRAM

Drafted by  
(Block Capitals) .....

Tel. Extn. ....

Security Classification SECRET
Precedence FLASH
DESK BY ..... Z

FOR COMMS. DEPT. USE	Despatched (Date) ..... (Time) ..... Z	POST BY ..... Z
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PREAMBLE

(Time of Origin) ..... Z(G.M.T.) (Restrictive Prefix) .....  
 (Security Class.) ..... (Caveat) .....  
 (Codeword) ..... (Privacy marking) .....  
 (Desk by) ..... 0500 ..... £

TO ~~FLASH~~ ~~FLASH~~ PEKING ~~PEKING~~ Tel. No. .... of .....  
 (precedence) (post)

AND TO (precedence/post) .....  
 .....

AND TO SAVING .....  
 INFO PRIORITY: FOREIGN AND COMMONWEALTH OFFICE: HONG KONG (Personal)  
 (Acting Governor)

INFO SAVING .....

Distribution:—

[TEXT]

Copies to:—

~~Personal from Acting Governor.~~  
 Following from Private Secretary to Prime Minister.  
 Your tel. No. 34: Prime Minister's Speech at welcoming banquet.  
 I have discussed the contents of your telegram under reference with the Prime Minister. While it is, as you say, tiresome that the Chinese have decided to make an issue of the first speech by the Prime Minister during her visit, Mrs. Thatcher is inclined to regard their attitude as typical of their negotiating tactics. In practice, the formula which the MFA have suggested is not likely to excite

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excite unfavourable comment either in Hong Kong or elsewhere. Nevertheless, the Prime Minister thinks it would be a tactical mistake simply to accept the Chinese formula.

2. In replying to the MFA, you <sup>might</sup> ~~should~~ say that the Prime Minister was somewhat surprised to receive their comments on her speech. But it is the substance of the talks on Hong Kong which is important to both sides, not the references during the welcoming banquet. She finds the text proposed by the MFA unsatisfactory in certain respects, and would therefore propose to use the following formula:

"We have a growing habit of high level exchanges on world problems and on bilateral issues, and we have had a useful first round of talks today. We have not yet begun our discussions on Hong Kong. I look forward to pursuing this important matter with you tomorrow."

3. If the MFA resist even this formula, you should take a pretty tough line. You may wish to reiterate that what is of interest to the Prime Minister is the / substance

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substance of this question. She will not wish to get involved in a purely verbal argument on the first day of ~~her~~<sup>a</sup> visit to which she attaches considerable political importance. *but you of course have full discretion to play the hand tactically as you think best.*

Ends

*WJL 22.  
9.*