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MOST CONFIDENTIAL RECORD TO CC(83) 11th Conclusions Thursday 24 March 1983

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FOREIGN AFFAIRS

Hong Kong

Previous Reference: CC(83) 8th Conclusions, Minute 2 THE PRIME MINISTER said that her letter to the Chinese Prime Minister, the tenor of which the Cabinet had approved at their meeting on 10 March, had been delivered. The Chinese Prime Minister had indicated that he was not yet ready to receive the British Ambassador in Peking to discuss the letter. In the meantime the Chinese Government had cancelled a contract placed in Britain for the refit of their Luda destroyers, apparently out of a feeling that it was in principle wrong for Chinese destroyers to be refitted in foreign shipyards. A British firm had, however, won a contract for making board from rice straw. The Chinese Minister of Commerce would be arriving later in the day on a visit to this country, in the course of which she would meet the Prime Minister and the Secretaries of State for Industry and Trade.

The Cabinet -

Took note.