

## Canada-Hong Kong, China, Relations

- On July 1, 1997, Hong Kong reverted to Chinese authority after 155 years of British rule and became the Hong Kong Special Administrative Region. The framework for the transition is set out in the Sino-British Joint Declaration of 1984 and the Basic Law.
- Under the Joint Declaration, China has undertaken to retain Hong Kong's free enterprise system and way of life for at least 50 years. The Joint Declaration provides Hong Kong with a high degree of autonomy and assures the continuity of its institutions. It stipulates that Hong Kong will continue to administer itself and pass its own legislation. China will be responsible for Hong Kong's defence and foreign affairs.
- The Joint Declaration provides that Hong Kong will retain its existing freedoms, including freedom of the press, of speech, of religion, of travel and of movement, as well as freedom of association and assembly. The Basic Law, the constitution of the Hong Kong Special Administrative Region, adopted by the National People's Congress of China, enacts these provisions.
- Canada has a continuing direct interest in a smooth transition and supports the future development of Hong Kong, based on a one-country, two-systems formula.
- Relations between Canada and Hong Kong are strong and multifaceted. Canada has social, political and trade interests in Hong Kong and has supported and initiated efforts to sustain confidence in Hong Kong's future.
- More than 150,000 Canadians live in Hong Kong and about half a million people of Hong Kong origin live in Canada. Hong Kong is the single most important source of immigration and immigration-related investment for Canada.

## Trade and Investment

- Hong Kong is an increasingly important trading partner and commercial centre for Canadian business. Hong Kong is Canada's 10th-largest trading partner and fourth-largest trading partner in Asia. Canada, in turn, is Hong Kong's eighth-largest trading partner.
- Canadian exports to Hong Kong totalled \$1.7 billion in 1997, up from \$1.2 billion in 1996, while imports from Hong Kong for the same period reached \$1.25 billion, up from \$1.14 billion in 1996.