CONFIDENTIAL La Paul 15/ Ref. A03992 MR ALEXANDER The Falkland Islands under the Nationality Bill The Home Secretary has sent the Prime Minister a minute about the implications of the Nationality Bill for treatment of those Islanders who do not possess the right of abode in the United Kingdom. The Falkland Islands will be on the agenda for a meeting of OD arranged for 29 January. This meeting will be primarily concerned with the Islanders' reaction to the proposals put to them by Mr Ridley. But the contents of the Home Secretary's minute will be relevant to the discussion. From the point of view of UK immigration and nationality law, the arguments set out in the Home Secretary's minute seem entirely convincing. addition, any concession made to the Islanders by way of an amendment to the Nationality Bill would both have unwelcome repercussions for the treatment of the inhabitants of other colonies (as the memorandum attached to the Home Secretary's minute explains, requests for special treatment have already been received from Gibraltar and the Cayman Islands), as well as providing ammunition for those critics of the Bill who seek to argue that it is already biased in favour of whites and against blacks. However, the position of the 600-700 Islanders with no right of abode in the UK is likely to provide a further, and emotional, argument for those who oppose the Government's current initiative over the Falkland Islands. Mr Ridley has already encountered considerable hostility on both sides of the House and feelings on this Nationality Bill point could make matters worse. The Prime Minister might therefore suggest that since the Government's handling of this aspect of the problem will be influenced by the Islanders' reaction to the proposals which Mr Ridley has put to them, it may be best not to form a view until the meeting of OD on 29 January has taken place. 14 January 1981 CONFIDENTIAL.