PRIME MINISTER

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You will remember that when you invited Peter Thorneycroft to meet Cabinet colleagues after Cabinet on 4 October, one of the points he raised as causing difficulty in the Party was the impression fostered by a few highly-coloured reports in the Press, that the Vietnamese refugees are reluctant to accept employment. It occurs to me that you might like to have a note.

Although there may be a few individual examples of refugees being reluctant to take work, I have had no indications from my Departmental officers or from the Home Office, that this is a general problem. The refugees are housed initially in reception hostels. is the Home Office's policy to move them out of the hostels into private accommodation as quickly as possible, and so far good progress has been made on this. Of the 5,000 refugees that have gone into would again the hostels since the end of the last year, 2,000 have already moved out into the community, and the great majority of those remaining are those who have arrived most recently. During the period - typically, three months - that the refugees remain in the reception hostels the Supplementary Benefit that they receive will usually be divided between them and the charities running the hostels. The refugees will be paid only their pocket-money allowance - £9.70 a week for married couples and £5.95 for single people; the remainder of their benefit - the allowance for accommodation, etc - is paid direct to the charity. Whatever earnings the refugees had in Vietnam, Supplementary Benefit does not provide them with more than a modest standard of living by reference to British earning levels, and the opportunities for higher living standards through taking employment must be very apparent to the refugees once they have obtained a Council house and found their feet.

> Not only are there considerable incentives for refugees to take work, but there are also steps we can take in those, very rare, cases where refugees prove unwilling to do so. When a refugee has acquired an adequate grasp of English, he has to register for work. refused suitable jobs unreasonably, or if he refused to lower his expectations when his preferred job failed to materialise, my

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Department would apply the normal procedures used where people are reluctant to take available work. These include having the case examined by an unemployment review officer.

All previous experience has shown that members of refugee groups soon settle down in the community and become self-supporting. In this the Vietnamese have proved no exception, very many having already found employment or places on appropriate training courses. Indeed, considering the great difficulties that the Vietnamese refugees have had to face, including language problems and the absence of a sizeable Vietnamese community in this country, they are settling in remarkably well.

I am copying this to Cabinet colleagues and also to Peter Thorneycroft.

PJ

4 December 1979