CONFIDENTIAL

PRIME MINISTER

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VIETNAMESE REFUGEES Vis put

No. 31/x11

When we agreed in July to accept an additional 10,000 Vietnamese refugees I suggested that we might take them at the rate of about 3,000 a year. It is probably that 3,000 will have arrived by mid-February 1980. We need to decide now what our target should be after that.

My object has been to make the process of taking the refugees as smooth and unobtrusive as possible and at the same time to be as helpful as we can to the Governor of Hong Kong whose problems were vividly described to us by the Foreign and Commonwealth Secretary after he had seen the conditions there. So far we have been more successful than I had hoped. The voluntary bodies who are responsible for reception are working together harmoniously and local authorities are coming forward quietly with housing offers. Sir Arthur Peterson, whom I have appointed as Chairman of a co-ordinating committee, is smoothing out any local problems which arise.

I am now confident that we can and ought to proceed more rapidly than I felt able to propose before we had the measure of the problem. Not to do so would cause severe problems for Hong Kong because the Governor can only keep the countries with greater potentiality for helping - notably Canada and the USA - up to the mark by showing that we are doing as much as we can. From our domestic point of view, there are powerful arguments in addition to humanitarian considerations for getting the refugees out of the Hong Kong camps as soon as we They are inevitably exposed to the attention of the criminal syndicates there - the Triads - with their involvement in the drug traffic. We have no evidence that it is a serious problem now, but it could become so.

With our existing camp accommodation in this country and making reasonable projections of housing offers, I think we could complete our obligations to the UN by the end of 1980 or March 1981 at the latest. This means financial provision of £6.2M for 1980/81. If we stick to 3,000 refugees for the next financial year the cost would still be well over £4M as far as I can judge and, of course, something like the same sum for 1981/82. By deliberately going slow we would also stir up hostility in all kinds of quarters — the USA and Canada, the UNHCR and Hong Kong, the voluntary organisations here and some of our supporters, as well as the Opposition.

I propose that we should agree to aim to admit the remainder of the 10,000 Vietnamese refugees by March 1981.

I am sending a copy of this minute to the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer, and to Sir Robert Armstrong.

December 1979