CONFIDENTIAL GRS 370 CONFIDENTIAL FM DELHI 180756Z MAR 81 TO ROUTINE FCO TELEGRAM NUMBER 229 OF 17 MARCH. FOLLOWING PERSONAL FOR COLES, SAD IMMIGRATION AND THE PRIME MINISTER'S VISIT 1. RAJIV GANDHI CAME TO LUNCH TODAY AND DISCUSSED SEVERAL ASPECTS OF THE PRIME MINISTER'S VISIT. AS YOU KNOW, HE IS, WITH HIS MOTHER'S ENCOURAGEMENT, TAKING AN INCREASINGLY ACTIVE PART IN ADMINISTRATION AND POLITICS. HE IS MORE IMPORTANT THAN MOST CABINET MINISTERS. IN SPEAKING WITH ME HE DID NOT USE HIS MOTHER'S NAME EXPLICITLY, BUT HE FREQUENTLY SAID ''WE'' AND I HAVE NO DOUBT THAT HE WAS SPEAKING AFTER DISCUSSION WITH MRS GANDHI. THE FIRST AND MAIN POINT WHICH RAJIV GANDHI MADE ABOUT THE 2. PRIME MINISTER'S VISIT HAD TO DO WITH IMMIGRATION IN GENERAL AND THE UKPH POINT IN PARTICULAR. HE SHOWED HIMSELF SURPRISINGLY KNOWLEDGEABLE ABOUT THE NATIONALITY BILL. IN THE COURSE OF DISCUSSION HE ACCEPTED MY ASSURANCES THAT IT WAS TOTALLY NON-DISCRIMINATORY AND THAT IT WAS MORE LIBERAL THAN THAT OF MANY OTHER COUTRIES. AT THE SAME TIME, HE ASKED THAT ONE OF HIS CONFIDANTS SHOULD BE BRIEFED IN DETAIL. I AM ARRANGING THIS. 3. THE MAIN POINT ON WHICH RAJIV GANDHI CONCENTRATED WAS THE NEED TO DO SOMETHING ABOUT THE UKPH PROBLEM BEFORE THE PRIME MINISTER'S VISIT. HE ACCEPTED THAT WE HAD POLITICAL PROBLEMS AND THAT THERE WAS NO QUESTION OF INCREASING THE OVERALL QUOTA FOR VOUCHERS ABOVE 5,000. BUT HE DID ASK THAT WE SHOULD FILL UP THE TOTAL QUOTA OF THE 5,000 ANNUALLY BY TAKING MORE FROM INDIA. HE WAS QUITE READY TO ACCEPT THAT THIS COULD MEAN A LENGTHENING OF THE QUEUES FOR OTHER CATEGORIES OF IMMIGRANTS. HE POINTED OUT THAT THE GOVERNMENT OF INDIA ALSO HAD A POLITICAL PROBLEM AND THAT THE NATIONALITY BILL IN GENERAL AND UKPH ISSUE IN PARTICULAR WERE VERY TOUCHY QUESTIONS IN THE INDIAN PARLIAMENT. UNTOWARD EVENTS DURING THE PRIME MINISTER'S SPEECH TO THE TWO HOUSES OF PARLIAMENT COULD NOT IN THESE CIRCUMSTANCES BE EXCLUDED. NOTHING WOULD DO MORE TO PROMOTE THE SUCCESS OF THE VISIT THAN A FAVOURABLE STATEMENT ABOUT UKPH IN ADVANCE OF IT. 4. THE TONE OF THE WHOLE CONVERSATION, INCLUDING THIS PART OF IT, WAS MARKEDLY FRIENDLY. WE AGREED TO COLLABORATE CLOSELY IN PREPARING THE VISIT. HOWEVER, IN MY JUDGEMENT THIS WILL BE IMPEDED IF IT BECOMES KNOWN THAT WE ARE IN REGULAR CONSULTATION. I HOPE THEREFORE THAT THIS TELEGRAM AND KNOWLEDGE OF THIS AGREEMENT CAN BE RESTRICTED ON A STRICTLY NEED TO KNOW BASIS. THOMSON Copy to LIMITED PS/MR BLAKER HOISAD Mr Alexander. No10. SIRJ GRAHAM MVD MA DONALD PSILAS MR ADAMS