

CONFIDENTIAL

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PM/82/19

PRIME MINISTER

Prime Minister

In view of the new facts since you last considered the matter are you prepared to agree to either 600 extra vouchers, as Lord Carrington would prefer or 300, which the Home Secretary would go along with.

A. S. Cole ¹⁶/₅

1. When you meet Mrs Gandhi on 22 March she is likely to raise again with you the matter of the size of the special voucher quota for United Kingdom Passport Holders (UKPH) in India. I have therefore been considering with the Home Secretary what advice we should give you on your response.
2. The lengthening wait for vouchers by UKPH in India, which has now reached 6 years, is an increasing source of irritation in our relations with the Indian Government. The Indian Foreign Minister raised the matter with Willie Whitelaw in November and again with Douglas Hurd when he visited India in January. It is becoming more difficult to explain why we do not accede to the Indian request to take these people at a slightly faster rate given that the world wide quota is now substantially under-utilised (1,456 vouchers were issued world wide in 1981 out of a quota of 5,000) and it is only in India that there is now delay in the issue of vouchers to eligible applicants. Moreover, if the present Indian quota of 600 is not increased waiting times are likely to extend to nearly 8 years in 1985/86.
3. I should like to see the quota increased with effect from this year to 1,200. These additional 600 vouchers would, with accompanying dependants, be likely to mean an additional 1500 admissions. Immigration from Pakistan and the new Commonwealth has fallen at an annual rate of some 3,000 over the last 2 years and with a reduction in applications and withdrawal of staff from our posts in the Sub-Continent this trend is likely at least to be maintained in the present year. There would therefore appear to be scope for some flexibility.

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4. I set out my arguments for this increase in my minute to / the Home Secretary of 22 February (copy enclosed). In his reply / of 7 March (also enclosed) he has declined to support a recommendation to you for an increase of this size but has said in his penultimate paragraph that he would not wish to raise any objection to a more modest increase of say 300 if you wished to offer this in order to help the success of Mrs Gandhi's visit.

5. An increase of 300 would, with dependents, entail only 750 or so additional admissions: but waiting times would continue to increase until, on our calculations, they peak at 6½ years at the end of this year and would remain at that level throughout 1983. Thus although you would be able to meet Mrs Gandhi's request for an increase in the quota, the continued lengthening of waiting times could lead her to doubt that the increase was being implemented. My strong preference therefore remains for the larger increase.

6. If this cannot be agreed, it will in my view be very important that you should tell Mrs Gandhi of an increase of at least 300. This will slightly ease the difficulties in administering the scheme, and will give us greater leeway in according priorities. It might thus go some way towards averting criticism that our administration of the scheme is insensitive. Moreover Willie Whitelaw's decision to disclose the size of the Indian quota in answer to a Parliamentary Question on 16 March will enable us to make quite clear that we are agreeing to a sizeable proportionate increase. You will be able to give the figures to Mrs Gandhi. If on the other hand you were to divulge the quota, which she will consider shockingly low, without telling her of any increase, I am sure her response would be very unfavourable.

*Not
announced
today.
Clearance will
be sought
separately.
A.S.C. 16.3*

/7. I hope



7. I hope therefore that when (as we believe she will) Mrs Gandhi raises the matter, you will on this occasion feel able to give her an assurance of an increase in the quota without any artificial constraints on other admissions.

8. I am copying this minute to the Home Secretary.

C

(CARRINGTON)

16.3.82.

Foreign and Commonwealth Office



sent PAP 26/2
copy als. to PS/14 Hunt
Portridge -
3. 25/2
RS 3/iii

see as
PS/COB TREFGARNE
Lord Gordon Lennox.
SAD.
WGI Capt. 23.2.82.

FCS/82/30

SECRETARY OF STATE FOR THE HOME DEPARTMENT

1. I have seen Timothy Raison's letter of 25 January to David Trefgarne and agree that we need to discuss what line to take with Mrs Gandhi when she comes to London about the admission of United Kingdom Passport Holders from India. Sir John Thomson has advised that he thinks it will be one of Mrs Gandhi's objectives to try and secure an increase in the allocation of special vouchers to India. The Prime Minister will therefore have to be prepared with a response for use if Mrs Gandhi presses the point.

copy sent to Mr. Nelson
PAP
9/3

2. The arguments of my Department for an increase have been well rehearsed over the last two years and most recently in David Trefgarne's letter to Timothy Raison of 6 January. In the face of Indian pressure it is becoming increasingly difficult to sustain the argument that we cannot increase the quota for UKPH in India when we admit that the global quota of 5,000 is now regularly under subscribed. Our intransigent line is likely to harm our commercial and political interests in India.

3. I am well aware of the political sensitivity of the immigration issue in this country. Immigration into the United Kingdom is however (as the Indians themselves have pointed out) on the decline. This applies particularly to immigration from the New Commonwealth and Pakistan from which admissions have fallen by some 3,000 in each of the past two years. The decline may be confidently expected to continue in 1982 because of the reduced number of applications being received in the sub-continent, which is permitting us to

/remove some

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dl
India

10 DOWNING STREET

From the Private Secretary

25 March 1982

India: United Kingdom Passport Holders

The minute by the Foreign and Commonwealth Secretary on the above subject (reference no. PM/82/19) was discussed at the briefing meeting for Mrs. Gandhi's visit on 17 March. The Prime Minister made it plain that she did not wish to contemplate an increase in the special voucher quota. In the event, the matter was not raised with her by Mrs. Gandhi.

I am copying this letter to John Halliday (Home Office).

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office.

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remove some entry clearance staff. There should therefore be no need for any special administrative measures (as proposed last year) to bring about an overall decrease to compensate for some increase in the admission of UKPH.

4. To achieve its purpose, any concession must have visible effect. We should avoid a situation whereby we say we are increasing the quota but waiting times continue to rise. We therefore see a need at least to double the quota with effect from this year to 1,200. With each head of household now bringing in an average of one and a half dependents, this would entail an additional 1,500 admissions, ie one half the recent annual rate of decline in emigration from the new Commonwealth and Pakistan. Our High Commission in New Delhi calculate that if we do this the waiting time would remain at its present level of six years until the end of this year after which it would drop to four years, seven months by the end of 1983 and continue to fall sharply thereafter. This calculation assumes a non-take up rate of 25% which is the current level. This would bring us within sight of the position that we have now been in for several years in East Africa whereby vouchers are available to eligible applicants without delay. When this situation is reached, the question of the admission of the UKPH will cease to be an issue in our relations with India.

5. I hope therefore that you can agree a submission to the Prime Minister on this basis.

C
/

(CARRINGTON)

22 February 1982

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G-VM341/302/1.



MVD copy sent to Mr Adams 9/3 (16)
f/s cc as for pp
R/ Mr Hard
Asst Secy Trefgarne
Lord N Gordon Leveson
SAD

SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS

In your minute of 22nd February you said you hoped I could agree a submission to the Prime Minister suggesting that the quota for India should be doubled.

2. I agree that we shall need to discuss before Mrs. Gandhi's visit what our response should be if Mrs. Gandhi requests an increase. There is also the question of how the subject should be handled with SCORRI, who will shortly be taking oral evidence from Tim Raison. In this context you should know that the sub-committee have formally requested us to disclose the size of the Indian quota to them. They have asked for the information by 16th March and I think that we shall have to give it to them. You may wish to consider whether it would be appropriate to arrange for the Indian Government to be told the size of the quota in confidence at the same time.

3. As regards an increase, as you know, Mrs. Gandhi did raise this matter with the Prime Minister during her visit to India. The Prime Minister said that it was not possible to offer any increase while unemployment remained at present levels in the United Kingdom. She would however be willing to increase the Indian quota if Mrs. Gandhi was prepared to accept a counterbalancing reduction in the number of Indian citizens admitted with entry certificates.

4. If the subject were to be raised again by Mrs. Gandhi there would not seem on the face of it to be any reason for the Prime Minister to give Mrs. Gandhi a different answer. Waiting times have increased, but it was recognised that this would happen when the earlier decision was taken. The number of unemployed has of course increased.

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5. Doubling the Indian quota, which you suggest, could be expected to lead to an increase in the order of 1,500 in the number of UKPH coming here from India. Mrs. Gandhi was apparently not attracted by the idea of a counter-balancing reduction in the number of Indian citizens admitted. In any event this would scarcely be feasible if the quota were doubled since the extra numbers could be offset only by stopping all admissions of wives and children, which would clearly be unacceptable.

6. I should be reluctant however to offer any substantial increase in the quota unless there were offsetting reductions elsewhere, since otherwise the present strong downward trend in the settlement figures for the New Commonwealth and Pakistan would not be maintained. As you recognise, if your proposal were accepted the drop in the settlement figures will be less than it would otherwise have been. This would be criticised by our supporters, who are looking to us to maintain the present encouraging trend. Increasing attention is likely to be focussed on the figures as the election approaches, and if the present trend is not maintained we can expect to come under further pressure to implement the outstanding manifesto commitments on the register and quota.

7. I should also mention a review of the Immigration Rules which we have been carrying out. Changes will be required in the Rules to take account of the new nationality legislation, and these may need to include some relaxation of the rules on husbands and fiances; but if we were to make such a change we could expect strong resistance from some of our supporters. In these circumstances it would become important for the Government to be able to show that it was doing all it could on other fronts to keep down the numbers accepted for settlement.

8. Whatever the trend overall, an increase in the UKPH coming here will be noticed, since UKPH are identified as a separate category in the published statistics.

9. I would not expect an increase to resolve our problems over UKPH in India. Indeed, it seems to me that it would raise fresh ones. The latest revised FCO estimate I understand is that there are 35,000 UKPH in India. At present relatively few of the 35,000 are coming forward for vouchers, but this could easily change if waiting times were reduced. We should then come under strong pressure to admit the remaining UKPH in India with the minimum of delay. I should add that we think the reduction in waiting times which would flow from a doubling of the quota would not be felt so quickly as you suggest; as we see it, on your assumptions on non-take up rates, waiting times might come down to five years five months at the end of 1983 and to 4 years by the end of 1984. Not until the end of 1985 would it be possible to issue vouchers on demand, and only then if it is assumed that the rate of new applications remains the same after an increase in the quota has been announced. But this assumption is I think unwarranted (and the assumption about non-take up rates might also prove to be over optimistic).

10. We cannot discount the possibility that developments in East Africa could suddenly make it necessary to issue large numbers of vouchers there. While it appears that the recent reports from Kenya need not be taken at face value they underline the fact that at any time we could be faced with unexpected pressures on the voucher scheme, which would of course push up the settlement figures. If vouchers were once "transferred" to India I do not think there would be a realistic prospect of "transferring" them back.

11. I would therefore not be in favour of doubling the quota as you suggest. The UKPH in India are not subject to individual pressure to leave. While it seems likely that there will be a recommendation from the sub-committee that we should admit them more quickly, there is a reasonable case for continuing to control admission at the present level.

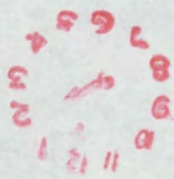
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12. Nevertheless, I would not wish to raise any objection to a more modest increase of say 300 if the Prime Minister herself wished to offer this in order to help the success of Mrs. Gandhi's visit.

13. You may agree that the best course now would be for you to raise the matter with the Prime Minister.

low

7 March, 1982



16 MAR 1982



Prime Minister
Content that the Home Secretary should make the announcement?

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

16 March 1982

Dear Mike

A.T.C. 17/3
The Prime Minister agreed and the Home Office were informed accordingly.

UNITED KINGDOM PASSPORT HOLDERS IN INDIA

MR 25/3 p.a.

You will wish to be aware of various recent developments in relation to United Kingdom passport holders which are of particular significance in the context of Mrs. Gandhi's forthcoming visit.

United Kingdom passport holders who are subject to immigration control are required to have a special voucher before they are admitted for settlement to the United Kingdom. There are quotas for particular countries. Mrs. Gandhi raised with the Prime Minister in April last year whether the number of special vouchers available for issue in India could be increased and she will almost certainly raise the subject again. Last April the Prime Minister took the view that the quota should not be increased. However, we understand that the Foreign and Commonwealth Office will shortly be putting forward a note to the Prime Minister on this subject which reviews again the conflicting overseas and domestic considerations.

This is the background, but the more immediate issue is a separate one. We have received a formal request from the Parliamentary Home Affairs Sub-Committee on Race Relations and Immigration to disclose to them the size of the Indian quota. The Sub-Committee are at present examining the special voucher scheme and although we have consistently refused to disclose allocations to particular countries in the past, the Home Secretary does not consider that he can reasonably refuse to meet this request, which bears directly on the Sub-Committee's current enquiry.

The Home Secretary has considered whether to give the figure to the Sub-Committee in confidence at this stage, with a view to its being made public later, perhaps during Mrs. Gandhi's visit. (They are pressing for the figure now). However, he thinks that there is a considerable risk that if it were given in confidence it would nevertheless become public knowledge - possibly in a way which would cause maximum embarrassment - and he would, therefore, prefer to disclose it openly. In reaching this view he has also taken account of a Question which Mr. Greville Janner put down for answer on 10 March (and has not yet been answered) in which he asks whether it is still Government policy not to disclose allocations to particular countries. It would be difficult to tell Mr. Janner that we were maintaining the present policy at the same time as we were proposing to give the Sub-Committee the figure for the Indian quota.

The Home Secretary believes that the best course in these circumstances, in order to retain the initiative in handling this issue publicly, is to say in reply to Mr. Janner tomorrow that he is giving the Sub-Committee the information and then to say what the figure is. I attach a copy of the proposed reply. The Sub-Committee would receive a separate reply at the same time.

The Home Secretary would be grateful to know whether the Prime Minister is content with this course.

I am sending a copy of this letter to Lyne (FCO).

Yours sincerely
Colin Walker

M. A. Pattison, Esq.

PARLIAMENTARY QUESTION FOR WRITTEN ANSWER ON

WEDNESDAY 10 MARCH 1982

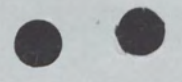
Mr. Greville Janner (Leicester West): To ask the Secretary of State for the Home Department, whether he will review the allocation of special vouchers to India.

Mr. Greville Janner (Leicester West): To ask the Secretary of State for the Home Department, whether it is still the policy of his Department not to publish the allocation of special vouchers to particular countries.

DRAFT REPLY

The allocation of vouchers to particular countries is kept under review. I have today, in response to an inquiry from the Home Affairs Sub-Committee on Race Relations, written to the Chairman to let him know that 600 vouchers each year are allocated to India. We have no present plans to increase that allocation.

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16 MAR 1982

