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The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
Home Office
50 Queen Anne's Gate
LONDON SW1H 9AT

22 September 1982

D Willie,

RAYNER REVIEW OF THE WORK PERMIT SYSTEM

Thank you for your letter of 29 August and your agreement that the scrutiny report and our response to it can be published as soon as we are ready to do so.

You suggested that it would be helpful if colleagues in H Committee had the opportunity to comment on the proposed response to the scrutiny report before it is formally submitted to Sir Derek Rayner's office and I am now enclosing a draft Action Report.

Since the attached Action Document was written I have learnt that Australia has decided to change their own working holidaymaker scheme so as to limit entry to a normal maximum of one year (with a practical limit of rather less in the current economic situation), to adopt a more selective approach to applicants and to set unpublished quotas (with one of 7,000 for the UK in the first year). This rather makes a nonsense of our position of not altering our scheme out of respect for the Melbourne Communique and likely Commonwealth reactions and in recognition of the fact that Australia, from where the majority of working holidaymakers to this country come, had a broadly comparable scheme. Quite clearly Australia gives less importance to Commonwealth goodwill than self interest!

As you will remember Ministers put a good deal of weight on the argument that Australia gave very free access to people from UK. In the circumstances I think we really must reconsider our decision with a view to bringing our maximum permitted period of stay down to one year as well. It would now seem insupportably weak in the light of the Australian action and our own economic situation to turn down the Rayner recommendation altogether. I acknowledge that this late change might cause problems for you with your White Paper, but a decision to change the immigration rules concerning working holidaymakers could no doubt be announced in a supplementary statement. We would also, of course, need to ensure that we did not publish the Rayner report before your White Paper.

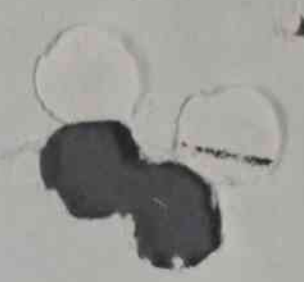
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I should very much like Sir Derek to have our response early in October so that the report can be placed in the House of Commons library and a PQ arranged soon after Parliament reassembles. Therefore I should be grateful for a swift response from you and Francis Pym in particular on the working holidaymaker question and for any other comments of detail anyone may have by 4 October.

I am copying this letter to members of H Committee, Francis Pym, Patrick Jenkin, Arthur Cockfield, Paul Channon and Sir Robert Armstrong

J. -
Norman



29 SEP 1902

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HL
Immigration

10 DOWNING STREET

From the Private Secretary

1 October 1982

The Prime Minister has now seen the Home Secretary's letter of 28 September to the Secretary of State for Employment about the working holidaymaker scheme. Despite the Australian changes to their own working holidaymaker scheme the Prime Minister agrees strongly with the Home Secretary that the effect of the restriction of our working holidaymaker scheme from two years to one would alter the political balance in the new immigration rules in an undesirable way. Moreover the Prime Minister favours the continuation of the working holidaymaker scheme in its present form. She has commented that many young Australians benefit enormously from the two-year period and in itself this improves our own relations with Australia. I should be grateful if you could arrange for the Prime Minister's views to be taken into account during the discussion of this issue at H Committee on 11 October.

I am sending copies of this letter to the Private Secretaries to the members of H Committee, to John Holmes (Foreign and Commonwealth Office), Jonathan Spencer (Department of Industry), John Rhodes (Department of Trade) and Richard Hatfield (Cabinet Office).

T. FLESHER

Colin Walters, Esq.,
Home Office.

BM

WORKING HOLIDAYMAKERS

You will recall that the Rayner scrutiny of the work permit scheme recommended curtailment of the working holidaymaker scheme. H Committee, however, concluded that this recommendation should not be accepted. The Australians have now decided to limit their own working holidaymaker scheme to a maximum of one year. In view of this, Mr. Tebbit is proposing that our own scheme should be similarly limited - see his letter at Flag A. The Home Secretary doubts the political wisdom of this since it would have to be included in the forthcoming Immigration Rules. He feels that such a provision would anger precisely those members who will be least happy with the other changes in the Immigration Rules. The Home Secretary has proposed that this issue should be discussed at H on 11 October (see his letter of 28 September at Flag B).

I agree strongly with the Home Secretary.
Many young Australians protest
enormously for this longer scheme
and it helps our relations with
Australia
mb

29 September 1982



B

QUEEN ANNE'S GATE LONDON SW1H 9AT

28 September 1982

Tebbit

RAYNER REVIEW OF THE WORK PERMIT SCHEME

Thank you for your letter of 22 September.

I appreciate your concern about the Australian changes in their working holidaymaker scheme, although I think there would be considerable political difficulty in the handling of changes in the Immigration Rules if we were to restrict the entry of working holidaymakers (most of whom come from the Old Commonwealth) from two to one years as you suggest. The effect of such a change would be to alter the general political balance of the package now proposed in the Immigration Rules (in which I think that it would have to be included) and probably to make it more controversial particularly with our own supporters. However, I would like this matter to be discussed at H Committee on 11 October. I suggest that you should circulate a paper by 4 October for that meeting and I will also arrange to circulate a paper setting out the considerations as I see them, together with a list of the precise changes which would need to be made to the Immigration Rules so that there need be no delays if your proposals prevail.

In the meantime I have arranged that the White Paper on the Immigration Rules should not be returned to the printer until 12 October. It is essential, however, that this one last point on the White Paper be settled by 12 October and that the White Paper should be published not later than 26 October so that there is adequate time for it to be considered by Parliament and the public before the Commons debate it on, say, 11 November.

I am content with your other comments on the Rayner report apart from that on recommendation 11, which says that enforcement would be virtually impossible. It would be unwise to make such a bald statement public since it could well arouse anxiety about enforcement generally. The remaining arguments in this section of our response are strong enough, and I would prefer the references to enforcement to be deleted both in the Appendix to the Action Document and in the general commentary. As regards timing, I am content that you should publish your Action Document a day or so after the White Paper on the Immigration Rules.

I am copying this letter to the Prime Minister (with copies of the earlier correspondence) and to the recipients of yours.

*Gas in
Tebbit*

The Rt. Hon. Norman Tebbit, M.P.

CONFIDENTIAL

Immigration



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The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
Home Office
50 Queen Anne's Gate
LONDON
SW1H 9AT

A
6/10

6 October 1982

Dear Home Secretary

RAYNER REVIEW OF THE WORK PERMIT SYSTEM

Thank you for your letter of 28 September.

Of course I readily accept your proposal that we should set this matter of the working holidaymaker scheme down for discussion at H Committee and I am circulating a short paper today.

So far as Recommendation 11 is concerned, I quite take your point that it would be unwise to state boldly and publicly that enforcement of a ban on students working in their free time would be virtually impossible, even though that is the case. I would however be sorry to lose the reference to enforcement problems altogether because this was, after all, a major consideration in our decision and it must be pretty obvious to anyone that enforcement would inevitably be a very difficult and costly matter. I wonder if you would be happy if in place of the sentence in the appendix which says "enforcement would be virtually impossible" we were to substitute something like "Enforcement would not be easy and would place a burden on the enforcement authorities that would be disproportionate to the possible gains". The last sentence in paragraph 6 of the general commentary could then be amended to say something like "enforcement would be burdensome out of proportion and such a prohibition would have unacceptable international repercussions, especially in Commonwealth countries".

I am copying this letter to the Prime Minister and members of H Committee, Francis Pym, Patrick Jenkin, Arthur Cockfield, Paul Channon and Sir Robert Armstrong.

Yours sincerely

Robert McArthur-Ward

(Approved by the Secretary of State
and signed in his absence)

Immigration, Rules, Pt 2



FCS/82/147

SECRETARY OF STATE FOR EMPLOYMENT

Prime Minister

B

8/10

Rayner Review of the Work Permit System

1. Thank you for copying to me your letter of 22 September to Willie Whitelaw enclosing the draft of your proposed Action Report on the Rayner work permit scrutiny. I am in general agreement with your proposed replies.
2. I do not think the changes in the Australian working holiday-maker scheme need cause us to reconsider the decision that we recently took, after careful thought, to leave our own scheme as it is. I have noted Willie Whitelaw's suggestion that this aspect should be discussed again in 'H' Committee on 11 October. As I shall then be in the Middle East, it may be helpful if I explain my views on the matter now.
3. Our own working holiday-maker scheme is most used by young people from Australia and New Zealand who have a somewhat similar arrangement. It is however available to young people from all countries in the Commonwealth. The Australian scheme (which is available to people from Canada, Ireland, Japan and the Netherlands as well as this country) is currently more loosely drawn than ours. The Australians are now proposing a tightening of their rules to limit their scheme to people between 18 and 25 (although some applicants up to the age of 30 will be considered) and the maximum period of stay in Australia is normally to be one year, although extension for a second year will in certain circumstances be permitted. Depending on the discretion applied in administering it, this may simply bring their scheme more into line with ours, with its age limits of 17 to 27 and a maximum of two years. Currently, the Australian maximum is 5 years and there is no age restriction. On the basis of this comparison, I do not believe a reaction to limit our own scheme to one year would be justified. The informal quota that the Australians now have in mind for British working holiday-makers is moreover roughly in line with the number of Australians who come to this country each year under our own scheme.



4. I therefore think that we should leave things as they are. Your proposed reply to recommendation 13 might however read:
'Reject: The present arrangements facilitate visits to this country by young people from the Commonwealth of sufficient duration for them to familiarise themselves with our society before they return home. They thus contribute to Commonwealth understanding and form an important and valuable part of our relationship with the sending countries. To confine the arrangements to countries with similar schemes would not save many jobs for resident labour, but would limit the intended purpose of the scheme'.
5. I am copying this minute to the recipients of yours.

A handwritten signature in black ink, appearing to be 'F. Pym', written in a cursive style.

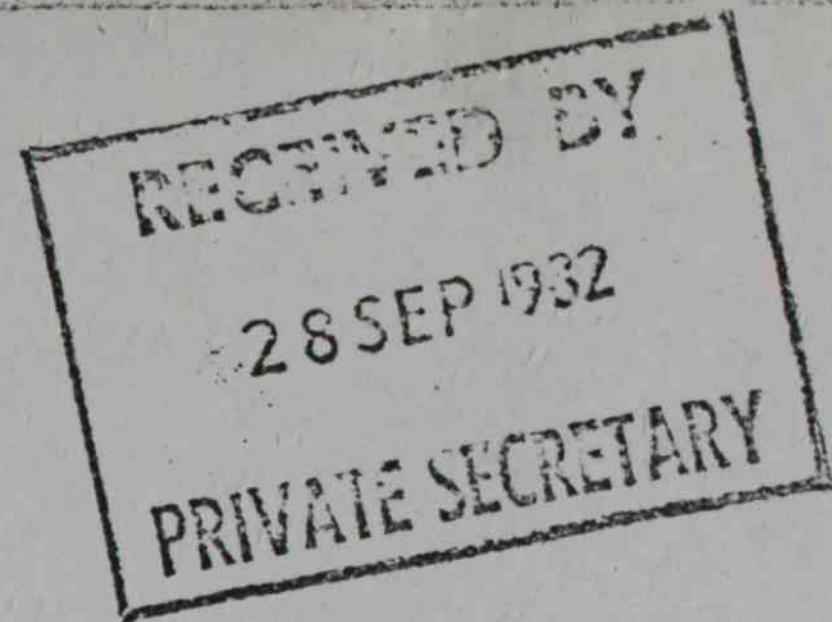
(FRANCIS PYM)

Foreign and Commonwealth Office

4 October 1982

Immigration, Rules, Pt 2

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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Norman Tebbit MP
Secretary of State
Department of Employment
Caxton House
Tothill Street
London SW1H 9NA

27 September 1982

Dear Secretary of State,

Thank you for sending me a copy of your letter of 22 September to Willie Whitelaw.

I agree with you that, in the light of the Australian action, our own maximum permitted period of stay for working holiday-makers should be reduced to a year. Apart from this, I am content with the draft Action Report.

I am copying this letter to members of H, Francis Pym, Arthur Cockfield, Paul Channon and Sir Robert Armstrong.

yours sincerely

LB LEON BRITTAN

[Approved by the Chief Secretary
and signed in his absence]