

PRIME MINISTERFAMILY POLICY GROUP MEETING: 10 SEPTEMBER 1982

We think it easier to group the papers under the general subjects discussed most prominently in them, although Ministers will obviously want to put the more general arguments contained in their papers. But it will be an advantage if this meeting can proceed a stage further to the preparation of measures as well as the commissioning of research and analysis of more difficult matters.

(a) Taxation and Social Security

David Howell points out the dramatic increase in Britain's workforce since the War - and the consequent relative increase in our unemployment figures beyond those in other Western European countries. Inflation and income tax drive out to work many women who would rather stay at home.

Can we alter the tax structure to make it easier for married women with young children to stay at home - without being unfair to those who really want to go out to work? Is there a case, say, for differential child benefit for non-working mothers in the case of younger children? John Sparrow suggests that we might also use the tax benefit system to help mothers who prefer to work, by a crèche allowance.

At the other end of life, there are increasing complaints about the lack of fiscal encouragement given to those who support elderly, sick or handicapped relatives at a considerable saving to the state. Mr Fowler points out that, despite all the talk about the lack of consideration for the elderly these days, 95% of the over-65s live outside institutions; according to a recent study, this is surprisingly true even of the half million or so who are estimated to suffer from senile dementia. But there is a case whether the tax system is as helpful as it might be.

Above all, we should keep at the front of our minds the fact that, before the Second World War, the working classes did not pay income tax. Cuts on direct taxation at the lower end of the scale must remain our highest priority.

Norman Fowler emphasises the need to encourage voluntary service in all its forms. Should we not de-professionalise the social services wherever possible? Are there low-cost fiscal incentives for voluntary service which could get worthwhile tasks done by people who would otherwise be unemployed?

Is it possible to frame a tax package for the next Budget which really could be described without exaggeration as a "Budget for the family?"

(b) Law and Order and Race Relations

What comes strongly out of the Home Office paper is the growing concern that public standards should be protected. The Government's duty is to bolster private morality by improving public behaviour. The control of sex shops and the overwhelming demand that policemen should be visible human beings walking along the High Street are all part of the same response to concern.

It is vital to make the distinction between (a) the British belief in privacy and dislike of official interference; and (b) the concern that all British citizens should be treated equally and that the Queen's peace should be maintained.

"Intermediate treatment" for young offenders - as outlined in Mr Fowler's paper - is surely to be encouraged both for its own sake and as a relief for the terrible overcrowding in the prisons - now one of the worst of all our problems. Our main aim here should be to strengthen parental responsibility for young offenders. We probably still have a lot to learn from other countries in methods of dealing with young offenders outside penal institutions.

(c) Housing and the Inner Cities

We must try to offer to all households the prospect of some degree of control over their homes.

Should we adopt a home ownership target of two in every three families by 1990?

The right to buy a council house is one of the most effective and memorable actions we have taken.

We must reach further down the income scale. And the "shared-ownership" scheme is obviously the next step. "Low-start" mortgages

might have even more appeal. The Department of the Environment is right to reject unrealistically low initial payments, but it is surely possible to come up with sound schemes where the repayment would be fairly near the present rent level (the extra responsibility for repairs and maintenance would be gladly shouldered by most new homeowners). "Turn your rent book into a mortgage" is surely an appealing slogan.

It might be worth seeing whether some of the admirable local experiments mentioned by Mr Heseltine could be translated into a national system, possibly involving statutory rights. Could council tenants on an estate, for example, be given a right to set up a tenants' management co-operative if two-thirds of the tenants on the estate voted for one?

Homesteading - the sale by local authorities of run-down dwellings for improvement - seems to be working well in the 60 local authorities which practise it. But these are producing less than 2,000 sales a year. Again, could the Department of the Environment set a modest target for each authority of, say, 100 homesteads a year for the next 5 years? There can be few authorities with less than 500 decrepit but saveable dwellings on their books.

Mr Heseltine also has a number of good schemes for cleaning up shabby parts of Merseyside. These employ local residents and are funded through the Manpower Services Commission and the Inner Cities. Could these, too, be taken nationwide?

Family life in the inner cities must surely greatly depend on re-occupation by owner-occupiers, who will not only be permanent but house-proud residents, and hence are most likely to develop territorial pride too.

(d) Education and Leisure

Keith Joseph lists a series of actions in hand which are designed to improve both parents' control over their children's schooling and the authority of the teacher in the classroom. I believe it is vital to take these forward.

These proposals must constitute the real core of what Government can hope to do to help the young.

I think it is important to emphasise that what we are examining are not extreme "way-out" ideas, but the kind of alliance between public and private efforts in education which is commonplace in many other countries.

We should talk less of a "voucher experiment" than of "helping parents to set up their own schools".

I think it will be helpful if Keith's papers come first to the Family Policy Group where they can be sympathetically and seriously discussed.

We want, I think, to give early authority for the improvement of teacher training and the extension of parent and teacher governors, and perhaps an education allowance to parents who want to set up their own primary day schools.

Any change in the fundamental structure of the financing of education would be for the next Parliament. But we must have plans fully worked out before the Election. This would also apply to student loans.

Proposals for an improved basic curriculum - including the encouragement of "Civics" papers, along with basic skills - would make an attractive Manifesto proposal.

John Sparrow makes the point that schools ought to offer some kind of training for parenthood, since the trend to early marriage in recent years has so much to do with the increase in broken marriages. The age of first marriage is in fact rising again of its own accord; but there is much to be said for helping it to go on rising and to emphasise that if sex education is to be offered, it ought to be only one part of a general preparation for growing up.

Of course, this is primarily the parents' task. But if schools are to venture outside strictly academic instruction, they ought to offer a rounded course of advice for life (as good schools already try to do).

On the use of school premises outside school hours, Mr Heseltine reports a series of initiatives, eg by Mr Macfarlane on the use of sports facilities. But I wonder whether we should not go much further. In most towns, the schools offer the best, sometimes the only, public halls, gyms and playing-fields. They were paid for

by the taxpayer and we have a right to use them to the maximum. I see no reason why we should not lay a duty on local authorities to offer all reasonable access to suitable facilities, by bona fide clubs and groups who are prepared to pay a modest fee.

(e) Training, Industry and Employment

Both Norman Fowler and Patrick Jenkin make the point that unemployment is a terrible threat to the family and strikes directly at the position of the breadwinner and, insofar as it causes wives to go out to work, it may injure a stable childhood. Are we correct in concentrating so much on alleviating youth unemployment, when parental unemployment is surely a much more devastating blow?

But it is worth pointing out that almost all the things we are worried about began to develop alarmingly during the years of full employment - crime, divorce, the rate of illegitimacy. Indeed, most of them have risen, if not continuously, since the 1940s.

Certain positive pro-family strands in existing Government policy ought to be emphasised, notably the encouragement of small, and hence often of family, business: the basis of all successful economies and a sector much discouraged by post-War British governments which have worshipped bigness much more uncritically than our neighbours. The success of British agriculture is due not solely to government encouragement, but also to it being largely a multiplicity of small family businesses.

But the most immediate employment challenge of all is to be able to offer worthwhile work to the registered unemployed of all ages, even if that work cannot offer either a 5-day week or a full wage. It is an affront to commonsense (and the complaint is now constantly voiced in all quarters) that there should be so many jobs that need doing and so many idle but not necessarily unwilling hands.

- (f) There are other aspects of family policy which cut across departmental boundaries and which are still unexplored territory for Government. They are controversial, but not politically controversial. The CPRS identifies four general headings where, despite varying quantities of research, we are still in the dark: the elderly and the community; influences on children's behaviour and attitudes; professionalisation and the lack of customer power; and the impact of bureaucracy. The CPRS could be invited to report on these questions.

On topics where the Group would like to see specific proposals, it may be best to ask for detailed ideas to be brought back to the Group in, say, 2 months' time.

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