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PRIME MINISTER

Before we meet this afternoon I would like you to be aware of an idea put forward to me late last week by Philip Goodhart for an experimental limited scheme of Service entrance. As you may know there is an arrangement in being at the present time for young men leaving school to take a short course at Sandhurst and then join a regiment for a period of around a year as a young officer prior to joining university.

2. Philip suggested that we might extend this scheme to cover young men and women who would serve in the ranks and that this might be part of Jim Prior's youth opportunity programme. In other words the young people would receive £23.50 a week and would join the Army for a period of between six months and a year under roughly the same arrangements as they might join ICI. At the end of the period of 'youth opportunity' they would either leave the Service or be eligible together with others for full recruitment. It might be necessary in order to make sense of the scheme to have a recruitment for some reserve service in the TA at the end of the period.

3. Such an arrangement would cost the MOD budget a few million pounds in clothing and equipment but if we kept the numbers down to 5,000 and below on an experimental basis it would mainly be a marginal cost and therefore could be quite cheap. The pay and allowances being borne under the MSC budget.

4. My initial reaction is that this idea (which would not be opposed as I understand it by the General Staff) would have a



major favourable impact on the country and if I could give an idea that such a scheme was under consideration as part of the youth opportunities programme when I make my statement tomorrow I think it could be a considerable way, certainly so far as the popular press are concerned, in taking the sting out of some of our proposed measures which will of course have adverse employment consequences.

5. Obviously it is too soon to say whether this proposition is a starter - there are clear practical and other difficulties - but I think we might be sufficiently well advanced by lunchtime tomorrow whether it is safe to mention it or not. I should be glad to know whether you yourself consider it worth pursuing. I talked about this to Jim Prior over the weekend and he thought that it could have a substantial favourable impact on the country.
6. I am copying this minute only to Jim Prior at this stage.

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