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Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury
Great George Street
LONDON SW1

/ May 1981

Dear Chancellor,

NEW TRAINING INITIATIVE

E Committee on 26 March invited me to seek to agree with the Manpower Services Commission a consultative document on the lines of the draft circulated with E(81)33, with a view to joint publication.

I attach a revised text which has now been agreed by the Commission, and which the CBI and TUC Commissioners are recommending to their organisations for endorsement. Subject to that, and our agreement, the document could be jointly published by the end of this month.

The text has been improved in a number of ways. Changes are indicated by sidelining. In particular paragraphs 36 onwards give more prominence and emphasis to the action required of employers, unions and others as well as of Government and the MSC. The concluding section, paragraphs 59-62, stresses the need for immediate action as well as points for consultation.

All parties represented on the Commission pressed for inclusion of a firm commitment by Government to increasing public resources for training. I made clear that we could not give such a commitment. The outcome is reflected in paragraphs 40 and 51, which are I think fully consistent with our position and are the least we can say at this stage if we are to carry the parties with us.

A statement of major policy, on a matter of this importance, agreed between Government, CBI, TUC and representatives of educational interests is I think a considerable achievement, crucial to the success of the objectives and possibly of wider significance. If we are to reach agreement - and I think we shall never have a better opportunity - we have to take the document as it now stands. I therefore propose that we should do so but contribute a Foreward on the lines of the attached draft on which I would welcome comments. This would be signed by me, Mark Carlisle, George Younger and Nicholas Edwards as the Ministers directly concerned. I envisage that Mark would join me and Richard O'Brien in presenting the document at a Press Conference.



I am copying this letter to the Prime Minister, Mark Carlisle, George Younger, Nicholas Edwards and Sir Robert Armstrong and would be grateful for views by 8 May.

John Simeon

RTB Dykes

R T B DYKES

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

DRAFT FOREWORD TO NTI

To be signed by S of S's for Employment, Education
and Science, Scotland and Wales

At least since the 1950s vocational education and training have been the subject of continuing public debate and attention; yet to a considerable extent we still lag behind our competitors in having an educated, trained and flexible labour force.

Much of our vocational education and training is excellent, and a number of steps have been taken to make it more responsive to the nation's present and future needs. But overall not enough training is done, too much of it is misdirected and inflexible, and not enough use is made of the nation's available skills.

This document spells out three important objectives for the 1980s and beyond: first, better arrangements for skilled training to agreed standards; second, improving the vocational education and training of all young people; third, opening up more opportunities for adults to train. Whilst many of the individual points are not new they are here presented as a coherent package showing what employers, trade unionists, central government and the education services are doing and must do to help achieve the objectives.

This will make demands on all parties and may call for a reassessment of

priorities in the use of resources. But it will also bring benefits to all, in the short and the long term.

The Government therefore joins with the MSC in issuing this document, as a basis for consultation and a call for action.

A NEW TRAINING INITIATIVE

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