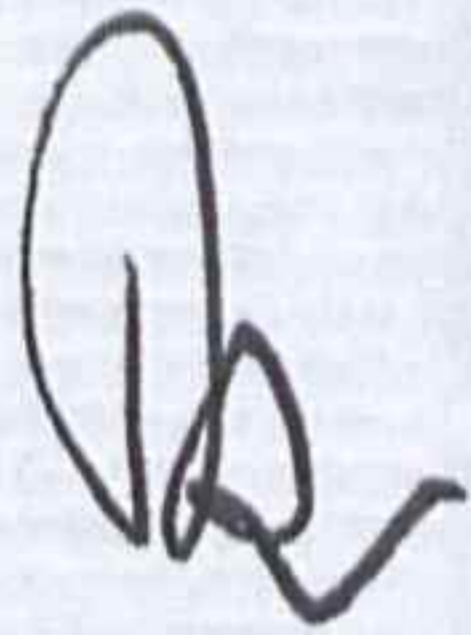


16 July 1981

MR LANKESTER

FOLLOW-UP TO E ON YOUTH UNEMPLOYMENT

1. I have seen Sir Robert Armstrong's advice on the composition of a mixed Ministerial/official group. I think the idea of John Biffen as Chairman is a good one, for the reasons he gives.
2. As I see it, the purpose of this group is to try and design the most cost-effective way of freeing-up the labour market. In this task of devising a fresh solution, the smaller the group the more effective it is likely to be. Obviously, it does need to include each of the main Departments involved - Employment, Education, Treasury and maybe Industry. I also think the principle of joint Ministerial and official representatives is a good one for this kind of work - not least because it can allow the officials to meet in between meetings of the full group, with no loss of continuity.
3. Sir Robert anticipates that the Prime Minister may want a smaller group. His full list would number 22. I suggest that the Prime Minister could delete John Nott, Patrick Jenkin, George Younger, Nicholas Edwards and John Stanley - plus, of course, their officials. That would reduce the number by 10. That still leaves us with a rather larger committee than I would like to see, but it should be manageable. We could in fact probably drop Norman Tebbit as well, bringing the number down by 12 in all. We can still call on those dropped to attend, if we find it necessary.



JOHN HOSKYNS