

CONFIDENTIAL

cc J. Verker  
A. Duguid  
A. Walters.

PRIME MINISTER

## MEASURES AGAINST UNEMPLOYMENT IN 1981/82 AND BEYOND

I have now seen the record of our discussion at 'E' Committee last Wednesday (E(81) 25th Meeting) on this subject.

LCA with TL?

I am afraid the minutes do not adequately reflect my view of the degree of urgency which we need to give to these issues. Towards the end of the meeting, when it became clear that further work would need to be put in hand, I said I was only prepared to agree to the formation of a special Ministerial group on the understanding that the issues would be brought to Cabinet in time for decisions to be taken and announcements made before the House rises for the summer recess.

If this timetable cannot be met I shall be placed in the position of having to announce only the expansion of YOP which we have approved for this year. This would be taken as a very weak response by the Government to a problem which is increasingly being perceived by our supporters and, I believe, in the country as a whole as of paramount importance.

I do hope, therefore, you will be able to agree that the Ministerial group should report to Cabinet on these issues quickly and that we should aim to announce before the recess whatever measures we decide upon, even though the detail may, in some cases, have to wait until the Autumn.

I am sending copies of this minute to members of 'E' Committee, Francis Pym, George Younger, Nicholas Edwards, Patrick Jenkin, Mark Carlisle, Michael Jopling and to Sir Robert Armstrong.

J P

20 July 1981