cc A.D B1
J.V
AW

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH

MCS / PM seen

From the Minister

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London SW1H 9NF

14 December 1981

WHITE PAPER ON INDUSTRIAL TRAINING

My letter of 9 December indicated that I was broadly content with the text of the White Paper on Industrial Training which you intend to publish tomorrow.

I have, however, seen the comments of Michael Heseltine and Jim Prior on your proposed reference to the training allowance for 16 year olds being set at a level around £16 per week. May I say I fully share their view that the publication of the figure of £16 is unwise, and could provoke an immediate hostile reaction.

I would much prefer this figure to be omitted.

I am copying this letter to the Prime Minister, to E Committee colleagues, the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Sir Robert Armstrong and Robin Ibbs.

PETER WALKER

(1)

10 DOWNING STREET

Prime Minister

Industrial Training

I attach the correspondence we discussed earlier this evening.

MS

MCS 14/12

cc AD

Manpower

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH

From the Minister

CONFIDENTIAL

The Rt Hon Norman Tebbitt MP
Secretary of State for Employment
Caxton House
Tothill Street
London
SW1H 9NF

9 December 1981

WHITE PAPER ON INDUSTRIAL TRAINING

I can confirm that I am broadly content with the text of the White Paper which, subject to the Lord President's agreement, you intend to publish on Tuesday 15 December.

In the agricultural sector there has been some criticism that the operation of the Youth Opportunities Programme has had an adverse effect on the formal apprenticeship arrangements which are run by the Agricultural Training Board. I know that representations have been made to the Manpower Services Commission about these difficulties and that discussions are being held to try to improve the "articulation" between the two schemes. I would hope that as the proposals in the White Paper are translated into practice care will be taken to integrate the new approach with the existing arrangements which are complementary to it so that the overall impact is enhanced and not reduced.

I am copying this letter to the Prime Minister, to E Committee colleagues, the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Sir Robert Armstrong and Mr Ibbs.

PETER WALKER

CONFIDENTIAL

CONFIDENTIAL

cc AD MCS/PM seen

NORTHERN IRELAND OFFICE
GREAT GEORGE STREET,
LONDON SW1P 3AJ

SECRETARY OF STATE
FOR
NORTHERN IRELAND

Rt Hon Norman Tebbit MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1

10 December 1981

Dear Secretary of State,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for giving me the opportunity to comment on your draft White Paper.

I am content that the draft reflects the decisions we have taken although I have one major caveat. This relates to any mention of a figure of £16 for 16 year olds. I believe this figure is unrealistically low and could cause the whole excellent idea to founder.

As you know, much of the ground covered in the paper is my separate responsibility in Northern Ireland and I will need to clarify the position in a separate statement following publication. You will appreciate, however, that some of the matters referred to involve initiatives at national rather than regional level, for example the introduction of recognised skill standards and the possibility of new funding arrangements for training which might include provision through the tax system. It would also seem desirable to avoid unnecessary duplication in developing the Open Tech proposal. I will wish my officials to be closely involved in the work to be done in such areas.

I should like to move forward with my own proposals for Northern Ireland. The employment prospects for school-leavers are even grimmer than they are in GB and I am convinced that I should move from the present YOP to a more comprehensive scheme as quickly as possible.

I want my statement to be as positive as possible and, in what is frankly a discouraging situation, our commitment to youth training is the major shot in my locker.

/...

CONFIDENTIAL

I know that your officials are aware of the proposals for a vocational preparation programme on which my officials have been working. The Programme would be on broadly similar lines to what you are proposing for GB. There would be a guaranteed year for 16 year old school-leavers unable to get a job, and we would also provide a range of opportunities - though not a guarantee of places - for others in the 16/17 year age group who find themselves unemployed after their guaranteed year or after a short spell in a job. (These are, of course, largely the group who under present circumstances are entering the Youth Opportunities Programme.)

Total numbers likely to be seeking places in Northern Ireland's Programme are, of course, small by GB standards - in present circumstances probably just over 15,000. The guarantee of a year's full-time training for 16 year old school-leavers would extend to about 10,000 of these. The components of the present Youth Opportunities Programme - courses at Government Training Centres and Colleges of Further Education, work experience with employers, apprentice and attachment training and community work preparation units (which are well developed in Northern Ireland) - provide the main building blocks to start off the new Programme; but the aim would be to give each young person a combination of modules planned to suit his or her particular needs and aptitudes.

I want it to be clear in Northern Ireland that this Programme is intended to provide more than a temporary escape from unemployment. It should be seen as the start of a permanent, comprehensive and integrated arrangement offering better vocational preparation (and hence encouragement) for those who remain in full-time education beyond the minimum leaving age. It will also offer training places for school-leavers in this age group who do not get a job; and better training opportunities for those young people who do get jobs, but would not get adequate training without some special provision. The integration of these various facets should help me in promoting the scheme as a genuine contribution to the job of halting and eventually reversing the Province's economic decline.

If all goes well, I hope to introduce the new scheme in the autumn of 1982. This is because the present scale and shape of the Northern Ireland YOP is much less reliant than the corresponding GB programme on work experience places, and the average length of stay for individual participants is longer. I am convinced that I could not justify delaying my scheme in the face of your own proposal to provide 100,000 full-time places in GB by Easter 1983.

I intend funding the programme in the years 1982/83 to 1984/85 from within the total NI PES provision which has emerged from Cabinet decisions on the 1981 Public Expenditure Survey.

I am clear that there is no scope for a separate Northern Ireland initiative on the question of entitlement to Supplementary Benefit and levels of training allowances. Sixteen year olds would continue to be entitled to claim SB when the NI scheme is introduced in 1982 and the training allowance would remain at the (revised) GB level. We would change to the new arrangements for SB and the training allowance at the same time as GB. It will not be easy to secure the co-operation which will be essential to the success of this plan and I shall be making it clear that I can only deliver given this co-operation.

/...

My statement will emphasise the consistency of my proposals with the New Training Initiative, and the details will be published in a discussion document which has been copied in draft to your Department. I do not think that my proposals should produce any difficulties outside Northern Ireland - indeed it should be helpful to you to see what progress we can make - and I therefore hope you can support the way in which I am planning to move forward.

I am copying this letter to the Prime Minister, other members of E, the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Sir Robert Armstrong and Mr Ibbs.

Yours sincerely

Stephen

pp JAMES PRIOR
(Signed on behalf of
the Secretary of State
in his absence)

KW

SP CONFIDENTIAL

cc AD

Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213 6400 GTN 213
Switchboard 01-213 3000

Rt Hon James Prior MP
Secretary of State
Northern Ireland Office
Government Offices
Great George Street
LONDON SW1P 3AJ

15 December 1981

Dear Jim,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for your letter of 10 December setting out your comments on the White Paper and telling me what you propose for Northern Ireland.

As regards the White Paper, you will see from my letter to Michael Heseltine (and as I know you will understand) that we cannot avoid giving the figures of allowances, and that there is a good case to make for our decision. But I have changed the presentation in paragraph 38 of the White Paper.

I am pleased to hear that you are thinking in terms of similar developments for training the young unemployed in Northern Ireland and my officials are in touch with yours about your proposed programme and the draft of your discussion document. At first sight that document seems to be quite consistent with the New Training Initiative and I do not think that to introduce it in the autumn of 1982 would cause any problems for my plans for Great Britain. The difference in timing can be justified by the scale and deep seated nature of the problem of youth unemployment in Northern Ireland.

You recognise in your letter that there is no scope for a separate Northern Ireland initiative on the question of entitlement to Supplementary Benefit and levels of training allowances. There must be a question, of course, whether the new benefit provisions and allowances should not come

into operation along with the full introduction of your programme next Autumn, but you may have strong grounds for preferring to defer the change until it is made in Great Britain.

I am copying this to the Prime Minister, other members of E Committee, to the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Sir Robert Armstrong and Mr Ibbs.

Yours ever
Norman

JU840

2 pp

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
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LONDON SW1E 6RB
TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

Secretary of State for Industry

10 December 1981

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London SW1H 9NF

Dear Norman,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for sending me a copy of your minute of 4 December to the Prime Minister.

2 I am content with most of the text, which provides a clear and positive statement of our policies. But I do wonder whether the draft strikes quite the right note in the section on funding and more generally on the question of the appropriate balance between public and private funding for training those in employment.

3 The first sentence of paragraph 61 encapsulates a large part of the case made for the Industrial Training Act 1964. But that Act has clearly not achieved all that was hoped; why else would we be intending to issue a White Paper? Added to that our predecessors decided that the mechanisms it embodied were excessively bureaucratic, particularly as regards small firms, and major changes had been made through the Employment and Training Act 1973. And we have just decided to abolish sixteen statutory Industry Training Boards, with excessive bureaucracy again being a major factor.

4 I entirely accept that there are powerful arguments for the proposition that a system which depends on individual employers meeting the cost of training their own employees will not secure an adequate supply of trained manpower. I also accept that it may be possible to devise a funding mechanism which can realistically be expected to have a better chance of achieving that objective, without unacceptable disadvantages, than the levy-grant/levy-exemption systems we have tried to date. But we have not yet carried our thinking to the stage of identifying what that mechanism might be.

5 The tone of the draft White Paper is clearly in favour of introducing a new funding mechanism. What I fear is that this would be seen as marking a shift in our thinking - a move away from placing greater reliance on voluntary arrangements - and that, because we would not yet be in a position to explain why what we have in mind differs from, and will not have the disadvantages of, what has gone before, this would call into question our decision to cut back on the Industry Training Board superstructure and would substitute suspicion for the credit we have gained with industry by that decision. Indeed we might arouse fears in the small firms sector that they will once more become entrapped in the bureaucracy of collective funding for training.

6 Added to that, we seem simply to be providing the Opposition with ammunition to use in the debates on Orders to abolish Industry Training Boards (which, as you know, are subject to Affirmative Resolution procedure) when the present text refers, for example, to 'some danger that individual firms may become more and more reluctant to spend money [on training] for uncertain return'?

7 I agree that there is a need to take another look at the role of public funding for the training of those in employment, but again I wonder whether we have carried our thinking sufficiently far for it to be prudent to be as forthcoming, as for example, the present texts of paragraphs 21 and 41. It is clear that a shift in the present allocation of responsibilities could result in a very large additional call on the Exchequer and our experience with the Youth Opportunities Programme has shown, if nothing else, how rapidly a modest, initial commitment can develop into a major, at least medium to long term, programme.

8 I would, consequently, be inclined to deal with these issues much more briefly than in the present text and, for the present, to adopt a more neutral posture. Could we not, for example, simply note the Manower Services Commission's proposal to establish a high level task group and express our willingness to collaborate in its work?

9 Apart from that, I have one, minor comment - on paragraph 45. The Engineering Council is only now on the point of coming into existence and cannot, therefore, yet have "considerable experience in defining and testing standards of individual competence" etc. Perhaps the present reference should be replaced, at the end of the sentence, by "soon to be joined by the new Engineering Council."

10 I am sending copies of this letter to the Prime Minister, the other members of E Committee, the Secretaries of State for Scotland, Wales and the Social Services, the Lord President and to Sir Robert Armstrong and Mr Ibbs.

Yours ever

Patrick

Caxton House Tothill Street London SW1H 9NAF
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GTN 213

5PPY
p.9

The Rt Hon Patrick Jenkin MP
Secretary of State
Department of Industry
Ashdown House
123 Victoria Street
LONDON SW1

15 December 1981

D Patrick,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for your letter of 10 December commenting on the draft of the White Paper which I circulated on 4 December.

You will see that in the final version I have made substantial cuts in what were formerly paragraphs 61 and 62 to meet the points made in the first part of your letter.

As regards paragraphs 21 and 41, I have thought it necessary to maintain a positive approach to the training of young people in jobs as our ultimate objective - not least to meet pressure from our own back benches. However, I have made clear that what we are prepared to consider is reallocation of available resources, and proportionately to the reduction in the numbers of unemployed young people who would otherwise fall to be dealt with under the new scheme.

I have revised the reference to the Engineering Council on the lines you suggest.

Norman

CONFIDENTIAL

cc AP MCS/PM seen

2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

10 December 1981

Dear Secretary of State

WHITE PAPER ON INDUSTRIAL TRAINING

You will know that my Private Office has alterted yours and I had a quick word with you personally this morning about my concern with paragraph 38 of the draft White Paper.

I write on a very narrow point which is the publication in that paragraph of a reference to the training allowance for 16 year olds which "will be set at a level intended mainly to cover travel and other expenses, probably around £16 a week when the new programme is fully introduced in 1983."

I very much hope that you will feel it possible not to publish this figure.

It is a long way from now to 1983 and there is no point in provoking the storm of protest that this figure will arouse, particularly amongst more organised and vocal black communities in the inner cities.

As the White Paper itself implies we shall have to take a final decision much closer to the time about what it is right, and what we can afford, to pay. I see no benefit in getting the new announcements off to what I think would be a bad beginning by the inclusion of this figure.

I am copying this to the Prime Minister, Members of E Committee and to Sir Robert Armstrong.

Yours sincerely

pp.

MICHAEL HESELTINE
(dictated by the Secretary of State and signed in his absence)

Rt Hon Norman Tebbit MP

10 DOWNING STREET

Prime Minister. Dec10, 1981.

Michael Hesseltine's note shows a major problem ahead. The £16 per week is only a small part of the total cost of the New Program, which averages about £70 per week. So that, for instance, one could put the £16 up to £30 per week and reduce the period from 12 months to ten months within the same overall cost.

If backbench pressure were to lead to this type of variation, we would be seen as having wanted to be "mean" to all the young people who couldn't find jobs, and having been prevented from doing so by the wets. Not a good political situation..

DW.
David Wolfson.

ks

Total 4 p.p.s.

CONFIDENTIAL

Caxton House Tothill Street London SW1H 9NAF

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GTN 213

The Rt Hon Michael Heseltine MP
Secretary of State
Department of the Environment
2 Marsham Street
LONDON SW1

15 December 1981

D Michael.

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for your letter of 10 December on the question of stating now the level of allowances proposed under the new Youth Training Scheme.

I am afraid it is just not possible to avoid stating what we have in mind. The figures can broadly be deduced from the other numbers in the White Paper and we do not want them dragged out of us, and the MSC need to know how much is available to spend on the training element in order to be able to start planning. Nor have I any prospect of additional resources with which to raise the level of allowances.

There is in fact a good case for the decision we have taken on the allowances and I think the White Paper clearly spells it out. The 16 year old school leaver will have a guaranteed place on the new scheme, which will provide a genuine foundation training which will improve his or her employment prospects and which will be greatly superior to the Youth Opportunities Programme that it will replace. The trainees will then be in a position on supplementary benefit similar to those in full time education but will also be receiving an allowance sufficient to cover the costs of participating in the scheme. It is right that the allowance should reflect their learning role and that trainees should thereby make their individual contribution to the costs of the training that benefits them. I hope we will all be prepared to get this case across both at the time of publication of the White Paper and subsequently. If we do not we will have difficulty in holding the line against wages for those at school.

I do take your point, however, that these allowances will not actually apply until 1983. I have altered paragraph 38 to make this clear. I have also expressed the allowances in annual terms so as to leave open the possibility of disbursing the money unequally through the year should a participating employer wish to top up the allowance as trainees move through the scheme. I think we should have this flexibility given our emphasis on local involvement. And I have also indicated that we are asking the MSC, in working out the detailed implementation of the new Scheme, to advise on the level of allowance which is appropriate and can be afforded within the resources available for the Scheme as set out in paragraph 40 of the White Paper. I hope that this presentation - which I shall follow in my Statement to the House - will enable us to get our points over in a sensible and acceptable manner.

I am copying this to the Prime Minister, the Chief Secretary (with whom I discussed the revised passage in the White Paper), other Members of E Committee and to Sir Robert Armstrong.

Yours
Norman

CONFIDENTIAL

cc A. Duguid.

MCS/PM seen

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

10 December 1981

The Rt. Hon. Norman Tebbit, MP
Secretary of State for Employment,
Department of Employment
Caxton House,
Tothill Street,
S.W.1

Dear Norman

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for sending me a copy of your minute of 4 December to the Prime Minister.

My officials have agreed with yours a number of amendments to the text enclosed with that minute. The general points to which I attach importance are as follows:-

(a) More emphasis should be put on the necessary contributions from industry and others: the present draft concentrates, understandably but rather excessively, on what the State can do.

(b) The paper should say more about the need to eliminate restrictions on the use of skills. It is here, rather than in youth training, that the quickest economic pay-off will be found.

I also understand that it is now proposed to redraft paragraph 38 of the White Paper in less definite terms, and mentioning a round figure of £15, rather than £16, a week for those who leave school at the minimum age. There are dangers in mentioning any figure; but on balance, I think that the new approach is acceptable.

Yours

GEOFFREY HOWE

P.S. I am sending copies of this letter to the other recipients of your minute.

CONFIDENTIAL

cc AD

Caxton House Tothill Street London SW1H 9NA F
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The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury
Great George Street
LONDON SW1

15 December 1981

D Geoffrey.

WHITE PAPER ON INDUSTRIAL TRAINING

Many thanks for your letter of 10 December. I have looked particularly at the draft White Paper in respect of the two points you make and have done my best to meet them.

As you will see from my reply of today to Michael Heseltine, I altered paragraph 38 further in the light of his comments, after a helpful word on the telephone with Leon Brittan. We cannot avoid giving figures of the likely allowances and I believe we have a good defence of them which must not go by default.

I am sending a copy of this letter to the Prime Minister, Members of E Committee and to Sir Robert Armstrong.

Norman

4 pps mcs/PM seen

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1

9 December 1981

Dear Norman,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for sending me a copy of your minute of 4 December to the Prime Minister, covering the draft White Paper on Industrial Training.

My Department has been consulted on the preparation of the White Paper and I am content with the draft. In particular, I welcome the emphasis on flexibility of approach and I agree with you that we should express willingness to transfer resources proportionately into schemes to help more unemployed young people into employment with proper training, as these can be developed.

I also welcome the emphasis on ensuring that education interests are more fully involved in the development of training programmes; and, as you know, the Scottish Education Department stands ready to play a full part in the development of the new schemes. I have however some minor reservations about what is said in paragraph 12 of the draft White Paper about the last two years of compulsory education, which I consider does not fully reflect the substantial progress which has already been made in Scotland towards giving the school curriculum a more practical emphasis. I should like to suggest that the last two sentences of this paragraph should be amended to read -

> "The Government is seeking to ensure that the school curriculum develops the personal skills and qualities as well as knowledge needed for working life, and that links between schools and employment help pupils and teachers to gain a closer understanding of the industrial, commercial and economic base of our society."

I assume that the White Paper will issue in the names of the same four Secretaries of State (including myself) who signed the foreword to the New Training Initiative consultative document.

I am copying this letter to the Prime Minister, to other members of E Committee, the Secretaries of State for Wales and Social Services, the Lord President, Sir Robert Armstrong and Mr Ibbs.

Yours ever,

George

CONFIDENTIAL

cc AD

hes/PM seen

DEPARTMENT OF EDUCATION AND SCIENCE
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

9 December 1981

Dear Norman,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for copying to me your minute of 4 December to the Prime Minister and the enclosed draft White Paper. I am broadly content with the approach you propose but have one or two minor comments.

The Annex to this letter sets out one or two amendments which I would propose; as you will see, the majority of them are drafting amendments but I would offer comments on one or two. I think it is important (as suggested in my amendments to paragraphs 3 and 4) to focus attention not simply on the last two years of compulsory schooling extremely important though those are - but on the contribution of full-time education generally and the issue of the transition from full-time education to work at any age. We are in danger, in all this, of focussing too narrowly on the needs of young people leaving school at the minimum age and I think it is important that we should remember that nearly half of all young people do not do that.

I am aware that there has been considerable discussion about the presentation of international comparisons in paragraph 6. There are so many uncertainties here that I consider that the position should be expressed much more tentatively than the present paragraph does, and I hope you will accept my alternative form of words; I realise that certain comparisons have been published in the past in MSC publications which have gained a certain amount of currency, but we are not sure that these are entirely soundly based and I do not think we should continue to give credibility to such comparisons which might lay us open to criticism.

There are one or two points on the proposed comprehensive scheme for unemployed young people which I think need to be set out more clearly. For example, in paragraph 29, it would certainly be helpful from my point of view if it could be made clear, as I suggest, that the additional places will be funded by the MSC and not by LEAs themselves. In addition, in paragraph 35, I suggest we ought to refer to the position of Easter school leavers; this will be quickly picked up in educational circles and - whilst I welcome the removal of any possible incentive under the prese

CONFIDENTIAL

system to young people to leave school too early - I feel we should be frank about the implications of the new system.

I am copying this letter to the other members of E Committee, the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Mr Ibbs and Sir Robert Armstrong.

Yours ever,

Ken

Sorry about ill — caught without a suitable pen!
K.

ANNEX

PROPOSED AMENDMENTS

Paragraph 3

Indent vi, delete "in the last years of compulsory schooling" and substitute "in initial full-time education".

Indent vii, delete "more work-related courses" and substitute "more opportunities for vocationally relevant courses".

Paragraph 4

Delete "school" and substitute "full-time education".

Paragraph 5

Delete first sentence and substitute:-

"People as producers create wealth by providing goods and services that people as consumers want to buy".

Paragraph 6

Delete last 2 sentences and substitute:-

"In France and Germany, 20% or fewer leave school at the mininum age without receiving further education or training of some kind. In Britain in 1979 the figure was one-third or more".

Paragraph 7

After "craft" add "and technician".

Paragraph 9 Delete "the Education Departments" and substitute "Government Departments".

Paragraph 14

Is "some employers.....nevertheless" really necessary? Does it add to the argument which relates to the potentially positive contribution of education? Is not the (legitimate) point covered in paragraph 12?

Paragraph 16

Delete "but are not yet ready" and substitute "nor are they yet ready".

Paragraph 29

After "80,000 full-time places" delete "a year" (which is redundant) and add "funded by the MSC".

Paragraph 35

Last sentence, before "summer of 1983" insert "Easter or".

Paragraph 42

Delete "technical" and substitute "technician".

Paragraph 44

Delete "the key to" and substitute "one pre-requisite of".

Paragraph 62

Delete third sentence and substitute "yet a large-scale expansion of public provision for training, parallel to the public education system, seems even more objectionable".

CONFIDENTIAL

c/c AD

Caxton House Tothill Street London SW1H 9NF

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Switchboard 01-213 3000

Rt Hon Sir Keith Joseph MP
Secretary of State for Education and Science
Department of Education and Science
Elizabeth House
York Road
LONDON SE1

15 December 1981

Dear Keith,

WHITE PAPER ON INDUSTRIAL TRAINING

Thank you for your letter of 9 December. I was pleased to hear that you were content with the approach taken in the White Paper. I have taken into account the points made in your letter, and the suggestions for drafting changes and accepted the majority of them. I agree particularly that we need to widen our focus to include the contribution which full time education generally can make, and not limit it to the last two years of compulsory schooling, vital though those are.

There is one other point on which I should comment. You suggested that paragraph 35 should refer to those who leave school at Easter 1983 losing their entitlement to benefit in their own right until September 1984, as well as those who leave school in the summer.

The paragraph as drafted is not meant to exclude this possibility. It is, however, not possibel to commit us to that course now. First, primary legislation will be needed, and I understand it may not be possible to obtain it in time. Second, while I do expect the Manpower Services Commission to provide sufficient of the new style places for those who leave school in April 1983, we cannot yet be certain that this will be possible in time and I am sure it would be wrong to commit ourselves to withholding benefit until the places are available. Moreover, I have tried in the published version of the White Paper to avoid unnecessary precision as to the timing of the various changes in 1983 and the exact level of allowances. Paragraph 35 as drafted seems to me to accord well with that

approach. If asked, we will need to say that the course of the transitional arrangements in 1983 is something which will be considered further as plans for the new scheme develop.

I am copying this to the Prime Minister, other members of E Committee, to the Secretaries of State for Scotland, Wales and Social Services, the Lord President, Sir Robert Armstrong and Mr Ibbs.

Yours ever
Norman

CONFIDENTIAL

cc AD
MCS\PM seen

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Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 6106 (Direct Line)
From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

11th December 1981

Dear Norman

Thank you for sending me a copy of your minute to the Prime Minister and the draft of the proposed White Paper. I have no comments on the content of the draft.

I assume that, since the publication of the MSC Consultative Document was endorsed by the four Secretaries of State concerned, the White Paper is also to be presented on a joint basis.

/ Copies of this letter go to the recipients of yours.

Yours ever

Nick

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON

CONFIDENTIAL