

Whitney MP

30th July, 1981

Thank you very much for your letter of 23rd
July.

As Geoffrey and I made clear in Monday's Debate,
the Government's Medium Term Economic Strategy, as set out
in Geoffrey's Budget Statement and in the Red Book, remains
and will remain the policy of the Government.

I hope that you were re-assured by what Geoffrey
and I said on Monday.

Ray Whitney, Esq. O.B.E., M.P.
House of Commons,
Westminster, London SW1



HOUSE OF COMMONS
LONDON SW1A 0AA

23rd July 1981

The Rt. Hon. Mrs. Margaret Thatcher, M.P.,
10, Downing Street,
London SW1.

Dear Prime Minister,

We are alarmed at the threat to the Government's basic economic strategy which seems to be represented by the proposed expenditure involved in the special youth employment schemes reportedly advocated by the Department of Employment. An additional expenditure of £1 billion or more would surely do irreparable harm to the Government's economic policy.

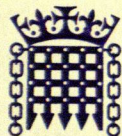
We recognise, of course, the pressure to take action in face of the unemployment figures. If the Government concludes that an additional scheme is essential, we believe that the proposals associated in recent press accounts with the name of Professor Alan Walters, appear to offer an alternative which is far preferable to the comprehensive scheme for youth unemployment which, we understand, has been put forward by the Department of Employment.

It is widely recognised that the conditions which have developed over the years have contributed significantly to the problem of youth unemployment and we believe that Professor Walters' scheme would represent the beginning of a very much needed attempt to tackle this problem in a realistic way. According to the information available to us, his proposals would create more real jobs and be more cost effective than the Department of Employment's scheme.

We believe that a rigorous cost-benefit analysis of the schemes is essential, given the vital importance of the scale of expenditure which appears to be at issue.

(Signature over)

James over,



Ray White

John Townsend.
~~amichauyubec~~

John Ward

Paul Roland.

John Butcher.

Archie Hamilton

Almy Neale

Quinn



David H. [unclear]

W. H. Lawrence