Private and Confidential



## Government Chief Whip 12 Downing Street, London SW1

Secretary of State for Employment

Further to my recent notes to you about your new scheme for youth unemployment, I attach a copy of a letter and enclosure which I have received from John Lee.

I am sending a copy of this minute to the Prime Minister, Francis Pym and to Sir Robert Armstrong.

14 December 1981

## Concern over Tebbit school-leavers plan

BY IVO DAWNAY, LABOUR STAFF

CONCERN that the Government plans to introduce a controversial new training scheme for unemployed school-leavers was voiced at a conference of youth service workers in London yesterday.

Delegates agreed that a rapid expansion of youth employment schemes combined with an increase in allowances paid to trainees were essential factors in lifting the level of job opportunities for young people.

But recent reports indicating Mr Norman Tebbit, the Employment Secretary, is considering an expanded programme to cut payments to unemployed schooleavers on training schemes from £23.50 to £15 and to withdraw supplementary benefits to those who declined to participate drew criticism.

Miss Clare Short, director of Youthaid, urged delegates to support an alternative, Manpower Services Commission of proposal for an expansion of the existing. Youth Opportunities Programme which would

provide at least 12 months' carefully-monitored training to all school-leavers and raise allowances to £28.

Mr Eric Hopwood, a senior Essex education officer, demanded an assurance from Mr William Shelton, a junior Education Minister, that allowances would not be cut.

Mr. Hopwood later said current pay rates were detrimental to young people's morale. A cut would exacerbate the situation. People in the educational sector thought, nevertheless, that this was what would happen.

A White Paper on Government plans for expanding youth training programmes will be published next week, following lengthy consultations with youth and educaional bodies, the MSC, andustry and the Trades Union Congress.

The TUC has declared its opposition to any form of compulsion to join training schemes. It is pressing for an increase in allowances to E30.

From: John Lee, M.P.



## HOUSE OF COMMONS LONDON SWIA OAA

10th December 1981

Dear Michael,

## New Training Initiative

Further to our brief word in the lobby yesterday evening, I am just writing to express my concern at the reaction of those in the youth world to the leaked New Training Initiative.

My assessment is that both the negative compulsion aspect ie the withdrawal of supplementary benefit and the £15 a week figure will bring on us massive criticism and in some cases, withdrawal of co-operation from the very people we need to carry with us if the scheme is to be successful.

As you know, many of our colleagues have extensive contacts with the youth world and some have prepared papers etc. on a variety of options. I would like you to ask which of us have given any indication that the above proposals would be welcomed.

I enclose a cutting from today's Financial Times which covers the conference that I was at yesterday.

Kind regards.

Yours sincerely,

John Lee, Esq., M.P.