



FROM THE  
MINISTER OF STATE  
FOR INDUSTRY AND  
INFORMATION TECHNOLOGY

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*Prime Minister*

*Here is Mr Baker's follow-up  
letter to your meeting with  
Dr Edmund Marshall about a  
closure in Thorne*

19 June 1981

*Ken Baker*

*mb*

*MB 12/6/81*

I promised to write to you further, following your meeting with the Prime Minister on 1 June, on the question of unemployment in the Thorne Employment Office Area.

You asked whether it would be possible to establish a separate unemployment rate for Thorne as a basis for considering whether the area should be made a Development Area. I am afraid the answer is that any such rate would be misleading - and indeed completely at odds with the unemployment rates published by the Department of Employment. The smallest areas for which these rates can be calculated are "Travel-to-Work-Areas" (TTWAs). These TTWAs are self-contained labour markets in which the great majority of the working population live and the great majority of the workers who live in the area also work there. Unemployment rates calculated for TTWAs are the true measure of an area's overall need for jobs and provide the only proper basis for decisions about Assisted Area status.

In the case of Thorne 41% of the workers who live in the area travel to jobs outside it, and Thorne is thus far from qualifying as a TTWA on its own. But when the coverage of TTWAs was last reviewed, Doncaster, including Thorne, was found to have a very high degree of self-containment: 91% of those living in the area also worked there, and 89.5% of those working in the area also lived there. The Department of Employment intends conducting a further review of TTWA boundaries on the basis of the 1981 Census data. If that shows that commuting patterns in Thorne have significantly changed, then the boundaries question will certainly be reconsidered.

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As I know you appreciate, unemployment is not the only factor to be taken into account when determining Assisted Area status under the Industry Act, but it is of course an important one. The unemployment rate for Doncaster TTWA is in fact comparable with those in many other areas which, like Doncaster, are to retain Intermediate Area status when the final stage of the change to a more selective regional industrial policy is implemented next year; and it is below the average for Development Areas generally. The Department of Industry will nevertheless keep a close watch on the position.

*Yours ever  
Kenneth*

KENNETH BAKER



19 JUN 1961