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PRIME MINISTERYOUTH TRAINING SCHEME

Both Tom King and David Young see the expansion of the YTS as an issue on which their personal credibility depends.

The people in the MSC who are responsible for delivering the scheme (who are usually optimistic and go-ahead) believe that - whatever the CBI may say - local employers will not provide nearly enough Mode A places if the allowance is reduced. They believe that the whole YTS will collapse.

The key to abolishing Supplementary Benefit for 16-18 year olds without extra public spending is to avoid creating large extra numbers of expensive Mode B (non-employer based) places. This could be done by:

- i. abolishing SB for 16-18 year olds,
- ii. reducing the cost of Mode B places by £50 million,
- iii. limiting Mode B to first year trainees,
- iv. providing a small MSC 'waiting allowance' (say, £10 per week) for young people who cannot find a place.

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