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MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

EDUCATION AND OUR TRAINING STRATEGY

Memorandum by the Secretary of State for Education and Science

1. I am determined that the education service should make the full contribution of which it is capable towards reducing youth unemployment and promoting skills in our population.
2. First, education can help reduce youth unemployment by the important route of getting more young people to stay on in full-time education beyond the age of 16. This also enables the education service to equip (and with rather more success than hitherto) the young people concerned with knowledge and skills which will improve their chances of employment, and their ability to cope with adult life, to the national benefit. Second, the education service is needed to make many of the training activities of others effective and complete. Thus:
  - (a) Existing programmes for the training and education of employed young people at operative, craft and technician levels include fully co-ordinated education elements and assessment procedures developed in consultation with employers.
  - (b) The better-quality YOP programmes already include a further education element.

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(c) The comprehensive scheme envisaged in E(81)96 should, like the existing courses for employed young people, involve an appropriate further education element developed by a partnership between education and training interests.

3. So far as full-time education is concerned, I am working towards the following objectives:

- i. To make the curriculum more practical during the compulsory school years, and in particular to develop more pre-vocational work at age 14-16 for the less academic pupils.
- ii. To encourage more young people to stay on in full-time education post-16 either at school or in a further education college.
- iii. To facilitate (ii) by supplementing the existing vocational courses in the colleges with a pre-vocational course available either at school or college, leading to a new national certificate, normally at 17. We are committed to this in principle and I shall shortly consult colleagues on the worked-up scheme.

4. If these objectives are to be attained at the necessary speed, the resources at present at the disposal of the education service may not be enough. The extra provision announced by the Prime Minister on 27 July for increased staying-on in education in 1982/83 and subsequent years has been an enormous help. But the increase in staying-on which appears to be occurring this year suggests that the extra provision will in due course need topping up. In that case less money than the MSC might need for YOP courses might suffice to provide the further training, the smaller teaching groups and the extra manpower and equipment needed to hold significant numbers at school from 16 to 17 with benefit to themselves and to future employers.

5. Moreover, unless local authorities and others can see that our expenditure plan realistically covers the new needs I want them to tackle, they will be less ready to tackle them; but where they do, will themselves take the

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credit for spending on a good purpose which the Government was too purblind to underwrite.

6. I do not want to bid for extra resources until I am quite sure how much more, if any, I need as an absolute minimum. As the programmes put forward by the Employment Secretary and my own proposals are developed we will be better able to judge the degree to which MSC funds would be best in part diverted to education. I would like my colleagues to agree that when I announce our plans for public expenditure on education for 1982/83 onwards, I might indicate that some MSC money would, if necessary, be transferred for the purpose of improving staying-on and developing appropriate courses.

7. As regards the provision of part-time education for those in employment or MSC schemes for the unemployed, the proposals put forward by the Secretary of State for Employment have my warm support in principle. But there need to be further discussions between officials to work up a scheme which will allow all parties, including education, to contribute most effectively.

8. All the programmes for young people envisage an appropriate mixture of education, formal training and work experience. The development of programmes that will be attractive and relevant to unemployed young people who in many cases have little hope of early employment will involve a major effort by all concerned. It is therefore essential to maintain the principle embodied in existing schemes for the employed that there should be an effective partnership between education and training interests. I think it is important for us formally to endorse this approach if we are to give clear guidance to MSC.

9. Against this background, my specific proposals are the following:

- i. I greatly welcome the proposal in paragraph 4(f) of E(81)96 for a body to be consulted by MSC and the education service on major new programmes. Important details of this proposal remain to be settled, but I think it is very much on the right lines.

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ii. The joint management of the existing Unified Vocational Preparation (UVP) programmes by MSC and DES represents "best current practice" in providing high quality traineeships of a new kind. This approach should be adopted in the development of the comprehensive scheme. Education interests, notably HMI should be formally involved in the process.

iii. Like my predecessor, I welcome the proposed Open Tech. It will necessarily operate at the boundary between formal education and training. Most of its courses will involve educational institutions, and qualifications will be provided by examining and validating bodies. If it is to be credible, the partnership must be demonstrated by 50/50 membership of the proposed steering body.

iv. The Open Tech is designed to deal with only part of the very important area of post-experience vocational education for adults. The education service already makes a major contribution and, in the light of response to a recent consultative document, I am developing proposals which I shall shortly put before colleagues for an effective focus of this work.

v. We also need on the ground a mechanism in which all partners can participate.

10. Finally, I must note that the differing and anomalous arrangements for financial support of young people on YOP, Supplementary Benefit and in education encourage young people to leave full-time education and receive the higher benefits available for those unemployed or on MSC schemes. The Youth Benefit proposal which we considered earlier this year offered a machinery which treated all young people not in employment on an equal footing but did not need to carry any extra net cost.

Conclusion

11. I invite my colleagues to agree:

(1) that I should proceed as in paragraphs 5-6 in relation to full-time education:

(2) that the point of principle in paragraph 8 and the specific items in paragraph 9 are necessary aspects of our main strategic decisions on the Employment Secretary's proposals.

KJ

Department of Education and Science

26 October 1981