

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

26 July 1982

Dear Barnaby,

EMPLOYMENT MEASURES

Your Secretary of State minuted the Prime Minister on 21 July, and attached a draft statement about further measures to help the unemployed.

The Prime Minister agrees to your Secretary of State making a statement on these lines. She notes that, as E Committee requested, he is looking for some assurances for public support for a Job Splitting Scheme from employers before announcing it.

BF We had a word on the telephone earlier today about one aspect of the Job Splitting Scheme. There is clearly some risk of the Scheme revealing a labour reserve, hitherto hidden, by attracting some people, for example, housewives, back into employment and onto the unemployment register. I understand that, to guard against this, appearance on the register for a period of some weeks or months will be a criterion of eligibility for subsidy. You undertook to let me have your reflections on this point; and in particular on the view that a period of at least three months' receipt of unemployment benefit will be the minimum criterion, since anything less might render the Scheme open to malpractice.

I am sending a copy of this letter to John Kerr (HM Treasury), Jonathan Spencer (Department of Industry), David Clark (Department of Health and Social Security), Terry Mathews (HM Treasury) and David Wright (Cabinet Office).

Yours sincerely,

Michael Scholer

J.B. Shaw, Esq.,
Department of Employment.

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