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PRIME MINISTER

FAMILY POLICY GROUP

You asked for comments on Mr Mount's paper. I have taken this to cover values as they directly affect the family unit. Wider values, although of very considerable interest in the employment field, appear to go beyond the parameters as set out by FM. I note that other colleagues have chosen to paint with a rather broader brush, but I believe the restrictive approach has much to be said for it. If we are to launch a campaign in defence of family values, we must be able to show that our actions are directly and explicitly relevant to the family if they are to have maximum impact.

Two principal threats exist to the family unit on the employment front;

- i unemployment
- ii the transition from school to work.

On the broader front the growth of collectivism through unions has been checked but corporatism remains strong - and MSC representing both has grown in power and influence.

UNEMPLOYMENT

- This is probably the single most substantial threat to the family unit and the values which pin it together. Unemployment affects various members of the family in different ways.

Head of the Family

- Undoubtedly this is the area of greatest concern. He is the traditional breadwinner who provides for his dependents, and



his status and authority are undermined if he is dependent on welfare payments or subsidy from junior members of the household. He passes onto the next generation respect for the economic system which has sustained him. Deprived of his ability to fulfil his role, the links which bind the family unit are weakened and in many individual cases we can trace to this a decline in respect for property, for law and order, and for authority as well as a decline in support for the free enterprise system. Unemployment means the breadwinner having to rely on the welfare system. The collectivist, paternalist state then takes over the function of breadwinner. The role of head of family is left to be filled by anti-social groups, ranging from left-wing social workers, sometimes operating through Government funded centres for the unemployed, to the criminal elements with whom the political extremists collaborate in areas such as Toxteth. This is most noticeable amongst black American and immigrant Caribbean families in the UK. We should not forget that the special employment schemes which have been devised to assist the long-term unemployed are least attractive to those with family responsibilities, since they enjoy the highest level of benefit.

Women

- Partly because this is a low productivity low wage economy and partly as a result of increased unemployment amongst breadwinners, many women have been forced to work who would otherwise not have chosen to do so. This clearly detracts from their roles as mothers and home-makers, particularly where the need to look for paid employment has been forced on them by the inability of the head of family to provide.

Possible initiatives

- Much of the solution to these problems can only be found with the return to prosperity and the established success of the free enterprise system. This requires the creation of well paid, "real", jobs which arise from well based economic growth. It cannot be supplied by traditional means of Government reflation designed to create public sector jobs, which will only increase the undermining



influence of collectivism. On the way to recovery, a variety of measures could help.

These could include further measures to ensure that there always exists a greater financial incentive to work rather than not to work; the dismemberment of artificial barriers, such as wages councils and closed shops, which prevent those who wish to work from taking employment on conditions which both they and prospective employers find acceptable; the easing of equal opportunity constraints on small firms, which both reduces the number of jobs available and ensures that less heads of families than would otherwise be the case fill those which are available. In all of these areas we have made progress in the last few years, but there is room for still further improvement. However, we should recognise that these are only indirectly aimed at the family unit, and are much more centrally concerned with the health of our economic system as a whole. At best, they are tangential to family policy.

A special employment programme aimed specifically at heads of families would hardly be practicable on grounds of cost and administrative difficulty.

THE TRANSITION FROM SCHOOL TO WORK

- The rapidly changing nature of our jobs market in an era of new technology and the skills and talents needed to satisfy the demand of this market have highlighted the inadequacies of the present system. Coupled with high unemployment, it has left a large number of young people badly educated and ill equipped for employment, who have been led to believe that the world - or the state - owes them a living. They leave the more or less disciplined framework of school, only to find that they cannot replace it with



a new framework of employment and they became used to receiving cash without obligation. Once again, this can only encourage the breakdown of respect for authority.

Moreover, we heighten the problem by undermining the other disciplined framework of a young person's life - the family. Our benefit system which provides a level of financial support which makes young teenagers relatively independent of the family. Indeed, it leaves them with more personal spending power than is enjoyed by their unemployed fathers.

We undoubtedly suffered a set back in this area when we had to concede a £25 a week allowance for YTS trainees and the continuing payment of supplementary benefit to non-participants. Regrettably we failed to establish in the public's mind the continuing financial responsibility of parents for children after the age of 16, and we must continue to argue this case.

The excessively high level of young people's wages also encourages the calls for a full living wage for teenagers and indeed entitlement to a separate home. In so far as they are met the family unit is undermined. Our continuing reform of trades unions and other corporatist and collectivist institutions such as wages councils are also relevant although they are not directly designed to bolster family values.

I would finish with two comments to FM's papers. If a programme aimed at family values is to be successful, it must be specific and easily comprehensible. I would argue that many of his suggestions, particularly in the section "At Work", go well beyond what could fit comfortably into a "family values" package. Secondly, I wonder whether his prospective audience is the correct one, namely, "the poor and those who are at present largely or wholly dependent upon services provided by the state". I would have thought it better to aim rather



higher, at those who have the will and the dedication to restore values in their family lives, but who require our support and encouragement in order to do so effectively. As in so many areas of values, leadership by example is the best educator of all, and we should encourage those who are best able to offer such a positive example.

Outside my Departmental responsibilities I do have concern at the way in which the responsibility of the family towards elderly or handicapped members has been undermined. A more generous tax allowance for those supporting such members of the family could result in less expenditure on supplementary benefit and the conversion of some of those who clamour for higher benefits to the ranks of those who clamour for lower personal taxation.

I am copying this minute to recipients of the earlier papers.

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7 September 1982