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PRIME MINISTERSERVICE MANNING 1981/82

A point that did not emerge in this week's Defence Debate, but of which you should know, is that the manning of the Army is improving rapidly because the number of soldiers leaving is the lowest since the Army became all volunteers in 1962. The rates of those leaving early, at their own request, have dropped by 40% compared even with 1980/81 and, similarly, the normal run-out has gone down by 30%. This is good news because overstretch is eased; we have a higher proportion of trained and experienced men: and we have more capacity for training the Territorial Army and giving continuation training to the Regular Army.

2. But with a much lower outflow, we are having to cut our earlier recruiting targets in order to avoid overspending significantly above cash limits. Our previous plan was to recruit 9,500 Adult and Young Soldiers and 9,000 Juniors for 1981/82 (which was below our original Estimates provision). We shall now have to reduce the 1981/82 intake of Adult and Young Soldiers to 4,500 and that of Juniors to 8,500 (the latter being the number we are already committed to take).

3. Territorial Army strengths are also going up beyond our cash limits provision. This growth is encouraging; but we are also having to restrain it so that we do not overspend.

1. Mr Whitlam ^{11/11} 22/11
2. Prime Minister

Content with Mr Nott's
proposed handling of
the recruitment position?

NAJ 22/11

Yes - but please ask
why MSC is being
so unhelpful. not.



4. Both the RAF and the RN are imposing sizeable cuts in Servicemen recruiting (60% for the former; 20% for the latter) for much the same reasons.

5. I do not propose to make any announcements about these restrictions although in particular the proposed cut in the figure of adult and young soldiers to be recruited this year (~~one~~^{two}-thirds down on last year) may provoke substantial criticism - particularly amongst defence enthusiasts. I would propose to explain the position on the basis of paragraphs 1 and 2 above. In my July statement I still hope to be able to announce a defence response to the understandable interest throughout the Party and the country about youth unemployment, with my plans for a YOP-type scheme for short periods of service in the Army, and an expanded intake of apprentices in MOD establishments - the MSC response has been unhelpful but I have not given up and it is still my intention to find other ways of achieving the same objectives.

6. I am copying this minute for information to the Chancellor of the Exchequer, the Secretary of State for Employment and the Paymaster General.

FN

Ministry of Defence

21st May 1981