



Caxton House Tothill Street London SW1H 9NF

Telephone Direct Line 01-213 6400  
Switchboard 01-213 3000

*cc press office.*

David Norgrove Esq  
Private Secretary  
10 Downing Street  
London SW1

30 August 1985 2

*Prise Twister*

*DS  
30/8*

*Dear David*

*Conservative Action to Revive Employment,  
led by Sir Philip Goodhart,  
Tui hester and  
Tony Baldry.*

'SKIP AHEAD' - CARE DISCUSSION DOCUMENT

You asked for a background note and line to take on the above document which was covered in today's radio coverage. These are attached.

However, a shorter line to take would be:

- generally a constructive and serious approach;
- welcome support for expansion of YTS, and the need for increased importance of adult training;
- we shall be considering carefully the detailed points further.

*Yours sincerely*

*Christine Van Schagen*

C M VAN SCHAGEN  
Private Secretary

## BRIEFING FOR NO 10

## 'SKIP AHEAD' - A CARE DISCUSSION DOCUMENT

Line to Take

- We welcome CARE's positive support for the Youth Training Scheme, and their interest in higher education and training for young adults.
- The Government shares CARE's concern to improve training opportunities for adults. That is why we are more than doubling - to 250,000 next year - the number of adults trained with MSC support. Over half these opportunities are for unemployed people, including up to 50,000 of the long-term unemployed taking part in the Community Programme next year.
- We are restructuring our adult training schemes so that they will be more effective, and improving our marketing so that they will be better understood by potential users - both employers and individuals. Certainly agree this is important, and will take account of CARE's suggestions when we review progress.
- Glad that CARE recognises the major role in adult training must be filled by private industry. Government's own substantial expenditure (£265m on adult training this year) encourages and supports employers' own investment. We are currently looking at incentives for industry to invest in training, but are not persuaded that changes in the taxation system are the right answer.
- We are determined to open up more opportunities for adults to improve their skills - this is why we intend to introduce a pilot scheme of training loans, which will allow individuals to make their own decisions about training needs and help them meet the costs. The costs to the public purse of further proposals, such as training vouchers, must however be weighed against their effectiveness in meeting employers' and unemployed people's real needs.
- As for Higher Education, future levels of provision will be under consideration in the light of responses to the Government's Green Paper on higher education policy ('The Development of Higher Education into the 1990s', Cmnd 9524). The projections in the Green Paper assume an increase in the proportion of 18-19 year olds going on to higher education from 13.7% to 15.5%.

- The Secretary of Education is pursuing the question of restructuring of teachers' salaries.

Background Note'SKIP AHEAD'

- 1 This discussion document was published yesterday by the Conservative backbench group CARE (Conservative Action to Revive Employment), led by Sir Philip Goodhart MP, Mr Jim Lester MP and Mr Tony Baldry MP.
- 2 The paper is generally supportive of the Government's approach to training, but calls for further resources to be devoted to higher education and adult training in view of increasing unemployment among young adults.
- 3 Ministers may wish to welcome the group's interest in the problems of young adults, and avoid rejecting its recommendations (attached) at this stage, but suggest that some pose difficulties. In particular:
  - (number 4) changing benefit rules (because of the statutory requirement for claimants to be 'available for work')
  - (number 6) tax relief for industry (because of Government policy to simplify rather than multiply tax relief)
  - (number 8) a training voucher scheme (primarily, because of costs).
- 4 Recommendation 7 urges the Government to press ahead with a pilot scheme for training loans. A Consultation Paper setting out proposals for a pilot scheme in 1985/86 was issued in November 1984. In the light of consultations, a different approach was devised and new proposals are now being discussed with 8 banks who have expressed an interest in participation. They would provide the capital and administer the scheme and the Government would provide incentives in the form of a guarantee to the banks and a 'repayment holiday' to trainees. Subject to reaching agreement with the banks and Ministerial approval, the aim is to launch a 3 year pilot scheme early in 1986 to test the market.

## RECOMMENDATIONS

- 1) All the separate adult training schemes promoted by the Government should be presented as part of one major Skill Improvement Programme - (SKIP).
- 2) Between 1984 and 1996, the number of 18 and 19-year-olds will fall by 33%. The Government should maintain level funding for higher education at the 'pre-squeeze' 1981 level. This will enable a substantially higher proportion of young people to go to university.
- 3) The Secretary of State for Education should take the opportunity afforded by the projected re-structuring of teachers' pay to ensure that there is an increase in the salaries of mathematics and scientific specialists.
- 4) The Government should modify the Supplementary Benefit rule which limits to 21 hours per week the amount of studying that the young unemployed can do without losing benefit.
- 5) There should be more basic courses for the unemployed at those technical colleges and colleges of further education which are now under-used.
- 6) The Government should divert part of the £9 billion per annum currently available for tax depreciation allowances on industrial building and plant to encourage training schemes by private industry.
- 7) The Government should press ahead with a pilot scheme for loans for people who want to take training courses.
- 8) The Government should introduce a pilot Training Voucher scheme. These Training Vouchers would be worth up to £1,000. Unemployed recipients would not lose their entitlement to benefit. Training Vouchers could become an important method of tackling our national skill shortages and helping the unemployed who have not been part of the YTS.

P. R.

(2)

~~Pat~~

David Norgrove

To put please with  
the Department of  
Employment's brief on this.

Sir Philip Goodhart has sent Michael  
Alison a copy of the paper which he  
and other Conservative Members of  
Parliament have produced concerning  
unemployment, and I thought you would  
like to see a copy and perhaps put  
it into the Prime Minister's weekend  
box.

Prime Minister

Probably only worth  
glancing at to get the  
flavour.

TESSA  
30.8.85

*DNS*  
30/8.

# **SKIP AHEAD**

**SOME PROPOSALS FOR A  
SKILL IMPROVEMENT PROGRAMME**

**(SKIP)**

**by**

**SIR PHILIP GOODHART M.P.**

**with**

**JIM LESTER M.P.**

**TONY BALDRY M.P.**

**A C.A.R.E. DISCUSSION DOCUMENT**

**£1.00**

## S K I P   A H E A D

### SOME PROPOSALS FOR A SKILL IMPROVEMENT PROGRAMME

Work on this discussion document began after a study weekend for the Conservative Backbench Employment Committee at Templeton College, Oxford. The Chairman was Ralph Howell, and it was attended by Tony Baldry, Vivian Bendall, Sir Nicholas Bonsor, Tim Eggar, Sir Philip Goodhart, Richard Holt, Michael Howard, Robert Jackson, Geoffrey Lawler, Jim Lester, Sir Brandon Rhys-Williams, and one MEP, Michael Welsh.

SIR PHILIP GOODHART has been Member of Parliament for Beckenham since 1957. He was Secretary of the 1922 Committee, 1960-79. He has been a Parliamentary Under Secretary of State, first at the Northern Ireland Office and then at the Ministry of Defence, 1979-81. He has written two pamphlets on work-sharing and the problem of unemployment: 'Stand On Your Own Four Feet', 1982; and 'Jobs Ahead', 1984.

JIM LESTER has been Member of Parliament for Broxtowe, and for Beeston, since 1974. As Under Secretary of State at the Department of Employment from 1979-81, he did much of the preliminary work on the Youth Training Scheme. He is the founder and first Chairman of CARE, Conservative Action to Revive Employment.

TONY BALDRY has been Member of Parliament for Banbury since 1983, and is a member of the House of Commons Select Committee on Employment. A barrister by profession, he is Chairman of the Bow Group Standing Committee on Employment, and is the author of the Bow Group pamphlet, 'Reform the Wages Councils'.

A CONSERVATIVE ACTION TO REVIVE EMPLOYMENT -(CARE)- DISCUSSION PAPER



## S K I P   A H E A D

Almost everyone agrees that youth unemployment is the most serious social problem facing the country. Public opinion polls record this fact with monotonous regularity; and there is no dispute between the main political Parties about the importance of the issue.

The figures are certainly dreadful. In June 1985, the number of registered unemployed under the age of 25 had reached 1,198,000, but during that month Ministers in the House of Commons easily defeated a set piece Opposition attack on their policies for dealing with youth unemployment. At the Despatch Box they showed the confidence that comes from knowing that they had good arguments.

The Government could draw negative comfort from the fact that all the countries in Western Europe are afflicted with a similar problem, and that the percentage of young people under the age of 25 out of work was no worse than in most other countries. In June 1985, the proportion of under 25s in the total number of unemployed was 37.7%; the Common Market average (excluding Greece) was 36.5%.

On a more positive note, Ministers could draw comfort from the success of their Youth Training Scheme, which has proved popular and effective since it became fully operational in September 1983. Ministers claim that almost two-thirds of those completing a YTS course find a job or go on to some other form of training or education, and Peter Morrison, the Minister of State at the Department of Employment responsible for the operation of the scheme, can point to a survey of 15,000 trainees which showed that 84% thought that the scheme was worthwhile.

There has been general approval of the decision to extend the Youth Training Scheme for a second year, and most large firms seem ready to co-operate with this change, even though their costs could escalate quite sharply. As the Confederation of British Industry tartly points out, the Scheme would be even

# **SPECIAL NOTE**

**ITEM SCANNED AS SUPPLIED  
PAGINATION IS AS SEEN**

more successful if some public sector unions had not blocked the development of YTS in Central and Local Government. Peter Morrison argues, with justification, that the Government measures to encourage the training of young people "represent the most wide-ranging programme of reforms that has been produced for many years."

No doubt the Government will continue to encourage young people to price themselves into jobs. Ministers rightly remind their audiences that when the Electrical, Electronic, Telecommunications and Plumbing Trade Union agreed that the weekly pay of apprentices should be reduced from £41.63p to £27.88p, the intake of apprentices trebled.

There is also some hope that the Government will develop an enthusiasm for work-sharing projects specifically designed for young workers. Work-sharing for the young seems to have been particularly successful in Holland. (In the Dutch public sector and in major Dutch industries, a 32 hour week for 32 hours' Pay is now the norm for young Dutch workers.) Imaginative training schemes, realistic wage rates, and sensible work-sharing proposals all have their part to play; but the most important cause for optimism is the simple fact that there will soon be fewer young people looking for jobs.

The long-term prospects for softening the impact of youth unemployment are clearly encouraging. In 1985/86, the number of young people reaching the age of 16 is estimated to be 835,000. By 1991, this figure will have dropped to 667,000. In 1985/86, the number of young people joining the labour market is 119,000 larger than the number of people reaching retiring age and leaving work. By 1990/91, the number of people retiring will exceed the number of young people seeking work by 22,000.

All this plainly has substantial implications for the Government's training policy. At the moment, the Manpower Services Commission rightly devotes more than 75% of its £2 billion budget to schemes for young people. The shift in the demographic tide means that the MSC should soon be able to devote more resources to adult training. As public concern with youth unemployment changes, there will be an increased demand for schemes which help the long-term adult unemployed, and which are seen to help to reduce those skill shortages which limit growth. So far, TOPS and a cluster of other adult

programmes have not acquired the favourable image that YTS inspires. Ministers and members of the MSC are carrying out a running review of the adult training programme.

Ministers should recognise that the success of YTS stems in part from the fact that diverse schemes, (Mode A; Mode B;), have been linked together under one recognisable banner. The YTS has gained widespread support among employers, trade unionists and training specialists, because it is a well-thought-out, flexible, realistic training programme. It gained acceptance among young people, partly because it was seen to be a big and expensive programme. If Mode A and Mode B had been presented separately, they would not have had the same impact, and might quickly have acquired the sort of negative image that came to blight the Youth Opportunities Programme.

Some of the MSC adult training programmes, such as Open Tech, are stimulating and imaginative. Some are generally worthy, such as many of the Tops courses. Some bring new ideas to old problems, such as the Management Development Demonstration Projects, and the Department of Education's REPLAN. Considered separately, these schemes, however beneficial, have a limited impact. If all the adult training schemes were presented as part of one major Skill Improvement Programme - (SKIP) - the public in general, and potential users in particular, might be more aware of all the opportunities that are available.

In every one of the MSC's 55 training areas there should be an easily identifiable SKIP Centre where employers and potential trainees can get information about training opportunities. We note that there is doubt about the future of some of the 164 Information Technology Centres - (ITECS). A number of these might change their role and their staff and become SKIP Centres.

Then Ministers must have a new look at the question of how our higher education system in general, and our universities in particular, are to be fitted into our national training objectives. There still seems to be an awkward gap between the Government's genuine enthusiasm for widespread training and its reluctance to provide sufficient funds for an expanding higher education system.

There can be no doubt that the Prime Minister - one of the few people in this country who has received both a legal and a scientific training - would like to see the country awash with scientific graduates of all descriptions, but sadly the Government's twin enthusiasms for saving money and raising standards collided with Mrs. Thatcher's desire - which she often expressed when Minister of Education - to see a larger proportion of this country's youth attending university.

In 1981, the Government subjected the universities to more rigorous financial disciplines. This squeeze has produced some of the desired results. Recurrent costs per student have fallen by 2% in real terms in the last four years, and unit costs have fallen even further in grant-aided colleges. Entry standards to universities have also crept upwards - the average entrant to a university degree course must now produce two 'Bs' and a 'C' in his 'A' Level results, rather than two 'Cs' and a 'B'. Meanwhile, the student-staff ratio at universities has shown a small decline - from 9.4 in 1980 to 10.2 in 1984 - a level which is still remarkably high by international standards. In France, Canada and the United States, the university student-staff ratio is more than twenty to one.

There have, however, been real costs to put against these small gains. At a time when Ministers were repeatedly calling for more science graduates to provide a driving force for the new industrial revolution, the number of engineering students at university actually fell by more than 1,000. Meanwhile, the continuing uproar over university finance has frayed the natural links between the Conservative Government and many of its natural supporters in the universities. This argument cost the Prime Minister a well-deserved Honorary Degree at Oxford University. It also masked the fact that admission to polytechnics and other branches of public sector higher education had increased by almost 30% since 1979 - a welcome development that has passed almost un-noticed.

The proposals for the universities outlined in the Government's Green Paper, "The Development of Higher Education into the 1990s", seemed designed to perpetuate this row. The number of 18 and 19-year-olds in the population is expected to fall by 33% between 1984 and 1996. If the Government were to cut the number of university places by a similar 33%, the universities

would clearly face a crisis of major proportions. In fact, the Government plans to cut student places by half that amount, thus ensuring that the universities will face a perpetual half-crisis.

The Government's present expenditure plans will allow for just under 500,000 full-time students in the mid-1990s, and this projection suggests that there will be a continuing squeeze on university funds, by 2% a year in real terms. There are now 46 publicly-funded universities in the United Kingdom, (including the Open University). A real squeeze of 2% a year could mean the demise of one small university, such as Exeter, every two years.

If the Government relaxed its firm financial grip and provided funding in real terms at the 'pre-squeeze' 1981 level, full-time student levels in the mid-1990s could climb above 525,000. At current prices, this would mean increased Government expenditure of £100 million a year. (In 1984/85, public expenditure on higher education was about £3,400 million). The Government should find this extra money. Ministers have rejected the idea of introducing student loans to help defray the long-term costs of higher education, but it should not be difficult to devise a scheme which would require those graduates who have clearly derived substantial financial benefit from their degrees to pay back some of the public money that had subsidised their university education.

If the extra money is provided, will the students enroll in those scientific courses which the Government is particularly anxious to see expanded? If the number of scientific students is going to expand, more schoolchildren will have to take their 'A' levels in mathematics and scientific subjects. Perhaps the only beneficial by-product of the long-drawn-out dispute over teachers' pay has been the general realisation that there is a shortage of good specialist teachers of mathematics and science in the school system. The proposed re-structuring of teachers' pay scales should provide the Government with an opportunity to give a special financial boost to these specialist teachers.

Even if there is a substantial expansion in higher education, however, most young people will not have the qualifications to participate. The Government should now modify one of its own rules which positively discourages less-

qualified young people to continue with their education. At present, those on supplementary benefit are only allowed to study for 21 hours per week. After that, they lose their entitlement to benefit. This is sensibly designed to stop students who are already enrolled in the higher education system from becoming enmeshed in the supplementary benefit labyrinth. There is, however, a considerable difference between a student who has clearly succeeded, educationally, and someone in his twenties on the dole, with few, if any, educational attainments.

The long-term unemployed below thirty, (in this context, those who have been without a job for six months), should be eligible to attend approved courses at local technical colleges or colleges of further education, etc., without losing their entitlement to benefit. This would enable the younger long-term unemployed to make much greater use of what is often their most easily accessible training facility - the local technical colleges.

Many technical colleges and colleges of further education already provide courses for the unemployed. These courses improve basic skills such as literacy and numeracy. It clearly makes sense to encourage the long-term unemployed to enroll in such courses, rather than cutting their benefit. The recent report by the Audit Commission has underlined the fact that many non-advanced further education colleges are significantly under-used, and that some of the lecturers do little more than 21 hours of work a week themselves. Rather than close these under-used establishments, it would be better to encourage the unemployed to use them as a springboard to employment, through skill acquisition.

But even if an expanded higher education system is brought more closely in tune with the vocational needs of the nation, it is plain that the major role in the Government's Skill Improvement Programme must be filled by private industry. In order to encourage private firms to expand their commitment to training, the Government can choose one or more of three courses - exhortation, the stick, or the carrot.

There has been no shortage of exhortation recently. Many Ministerial speeches rightly take up this theme, and there is even speculation that

the next round of changes in the Government could produce a de facto Ministry of Training which would bombard firms with letters and leaflets drawing attention to examples of corporate training leading to improved corporate profit. As Tom King, the Secretary of State for Employment, recently wrote:

"British companies spent on average only 0.15 per cent of turnover on training last year - so little that it hardly shows up in the balance sheet. That is one seventh of the American figure, and one fourteenth of the best in West Germany."

He might have added that in Japan the Nippon Telegraph and Telephone Company enrolled 240,000 workers out of a total of 312,000 in company training courses last year. Meanwhile the giant electronics firm, Hitachi, estimates that its annual company training budget has reached £70 million, or about two thirds of its advertising expenditure.

Tom King went on to say:

"It is ironic that every company report and accounts include the most meticulously accurate calculations of depreciation of building and plant and their replacement cost, yet no such assessment is made of the knowledge and skills of those who will utilise these resources. Would anyone suggest that the latter depreciate any bit less quickly than any fixed assets? It is time that investors and the Stock Exchange took an interest in what provision companies are making to maintain and enhance the level of skills and competence of their workforce."

Of course there are pitfalls here for the Government. No sensible Government wants to underwrite the training costs of industry, if businesses can be persuaded or cajoled to underwrite these costs themselves. But the Government itself encourages "the most meticulously accurate calculations of depreciation of building and plant" through the taxation system. It has been estimated that even after the Budget changes last year the full range of depreciation allowances for building and plant available to industry amounted to more than £9 billion.



The 'carrot' part of the Skill Improvement Programme could consist of diverting a portion of this Government's support for building and plant into direct encouragement for training.

Over the last few years, the Government has cut the taxation of jobs by reducing National Insurance contributions, and it has also cut the subsidy for the introduction of labour-saving machinery. It should now devise changes in the taxation system which positively encourage training.

The final report of the Information Technology Skill Shortage Committee, headed by John Butcher, implies that one method might be assistance for training consortia, run by groups of companies. In America, the Reagan administration has provided substantial pump-priming funds for this sort of project.

The Government's training 'stick' might consist of a national training tax. This has been mentioned in Manpower Service Commission discussion documents, but runs counter to the Government's past policy of phasing out industry-wide training boards and training levies. A national training tax would clearly catch the attention of management, but it would add to costs and be unpopular. A judicious mixture of exhortation and financial 'carrot' is more likely to engage the willing co-operation of business in a field where enthusiasm is important.

But even if the level of company training increases five-fold in the next five years, there will still be many people who will not have easy access to any training. For some of those who find themselves in this position, the Government's proposed experimental training loan scheme should be of help. Ministers have earmarked up to £10 million for a pilot scheme which will allow some ten thousand training loans to be made. The potential trainees would be expected to put up about 20% of the required finance themselves. The banks involved in the scheme would put up the remaining 80% of the loan, with half of the bank's share being provided by the Government. As the Department of Employment notes: "If it is successful, the advantages for all parties would be considerable. More people will be trained in courses of immediate vocational relevance at very low net cost to the public."

There will be wider economic benefit from allowing market forces to affect the pattern of such training. The provision of new courses will be encouraged. The lending institutions for their part will be able to develop a new area of business and use it to attract new customers. ... The scheme is intended to cover any kind of course which will improve the applicants' earning capacity more than sufficiently to repay the loan with interest."

A recent MORI poll suggested that rather fewer than one in ten of the working population would be prepared to take out a bank loan for adult training. On the other hand, 62% of those questioned were interested in trying some sort of training, and half of those willing to train said that they were prepared to pay at least some of the costs.

Some pessimists might interpret the poll as an indication that the British workforce is less likely to respond to training opportunities than its counterpart in other countries, but if the proportion of people who were actively interested in training loans turned out to be even less than 5%, that number would still clearly absorb all the public money that is likely to be available for training loans in the near future. The Government should press ahead with its pilot scheme. The potential demand for a scheme of this sort could be very large, and it could play a major role in the Government's Skill Improvement Programme.

For those without the necessary resources of money, aptitude or ambition, to be able to participate in a training loan scheme, a new scheme of training vouchers could have substantial attractions. For some 200 years, educational philosophers from Thomas Paine, Adam Smith and John Stuart Mill, to Sir Keith Joseph, have been attracted by the idea of education vouchers. As outlined by Milton Friedman, "Governments could require a minimum level of schooling, financed by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services. Parents would then be free to spend this sum and any additional sum they themselves provided on purchasing educational services from an 'approved' institution of their own choice. The educational services could be rendered by private enterprises operated for profit, or by non-profit institutions. The role of the government would be limited to insuring that the schools met

certain minimum standards, such as the inclusion of a minimum common content in their programmes, much as it now inspects restaurants to insure that they maintain minimum sanitary standards." The proponents of the only serious school voucher experiment, which was held in Alum Rock, California, argued that school vouchers would "increase the schools' responsiveness to their constituents, encourage diversity of educational programs, increase parental satisfaction, and ultimately improve the quality of education."

All those seriously attracted to the idea of school vouchers - including Sir Keith Joseph - have been defeated by the practical difficulties of grafting an education voucher system onto a system of compulsory schooling where there are a limited number of school places. These difficulties, which have torpedoed all prospects of success for education vouchers, do not apply to training vouchers. The introduction of training vouchers could lead to a very large increase in the whole training establishment, both public and private.

As with training loans, the Government should run a well-monitored pilot training voucher scheme. The priority group for receiving training vouchers should be the long-term unemployed under 30, who were not able to participate in YTS. A training voucher at a value of up to £1,000 could be redeemable at a recognised training centre in the public or private sector. As with loans, the individual would be expected to discover what attainable skills were most needed in the local marketplace, and decide which skills would give him or her the best chance of employment. A training voucher would be non-assignable. Employers who urgently needed people with particular skills might be encouraged to increase the value of the training voucher. The benefit entitlement of the long-term unemployed should not be affected by receipt of a training voucher. It would be valueless to them in cash terms, and they would continue to draw their normal benefit while they were undergoing their training.

There will certainly be teething problems. Next year, ten or twelve of the MSC's training areas could be given a million pounds to spend on pilot schemes. If these schemes prove to both attractive and effective, then a training voucher scheme could be extended to all the MSC training areas. A combined

system of training loans and training vouchers could make the whole training process more sensitive to the needs of the marketplace. It could help to solve the national problem of skill shortages; and it could give fresh hope and encouragement to tens of thousands of the unemployed.

Under the leadership of David Young, and then Bryan Nicholson, with Ministerial guidance from Jim Prior, Norman Tebbit and Tom King, the MSC has an enviable record in the field of youth training. The shifting demographic tide should allow the Government to adopt an adult Skill Improvement Programme which will match the success of the Youth Training Scheme.

## RECOMMENDATIONS

- 1) All the separate adult training schemes promoted by the Government should be presented as part of one major Skill Improvement Programme - (SKIP).
- 2) Between 1984 and 1996, the number of 18 and 19-year-olds will fall by 33%. The Government should maintain level funding for higher education at the 'pre-squeeze' 1981 level. This will enable a substantially higher proportion of young people to go to university.
- 3) The Secretary of State for Education should take the opportunity afforded by the projected re-structuring of teachers' pay to ensure that there is an increase in the salaries of mathematics and scientific specialists.
- 4) The Government should modify the Supplementary Benefit rule which limits to 21 hours per week the amount of studying that the young unemployed can do without losing benefit.
- 5) ~~There should be more~~ basic courses for the unemployed at those technical colleges and colleges of further education which are now under-used.
- 6) The Government should divert part of the £9 billion per annum currently available for tax depreciation allowances on industrial building and plant to encourage training schemes by private industry.
- 7) The Government should press ahead with a pilot scheme for loans for people who want to take training courses.
- 8) The Government should introduce a pilot Training Voucher scheme. These Training Vouchers would be worth up to £1,000. Unemployed recipients would not lose their entitlement to benefit. Training Vouchers could become an important method of tackling our national skill shortages and helping the unemployed who have not been part of the YTS.