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PRIME MINISTER

YOUNG WORKERS SCHEME (SOMETIMES CALLED THE WALTERS SCHEME)

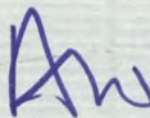
1. Preliminary statistics from the Department of Employment suggest that the Young Workers Scheme has got off to a very good start. Applications are running considerably higher than I expected.
  - a. Publicity

The initial print of 300,000 leaflets is exhausted. There is a reprint going through of an additional 400,000.
  - b. Applications

Twenty-thousand were received in the first month and they are now arriving at 4,000 a week. The rejection rate is very low at only 3%.
  - c. Spread

It seems that all sizes and kinds of companies are applying. There is no marked concentration in any size, range or trade except perhaps in retail distribution.
2. In spite of the fact that the large number of applications took the Department of Employment slightly by surprise, they have been dealing with them very efficiently. Some additional staff have been drafted to deal with the flood. I suspect that there will be an additional rush of applications in July, August, September as the school-leavers come on to the market.
6. The number of applications is very high also in view of the fact that many must be inhibited by Wage Council regulated wages above the limit of £40 a week. Once the power to control youth wages is eliminated, one would expect both considerable reductions in wages of youths and, of course, more applications for the YWS.

11 February 1982

  
ALAN WALTERS

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