STATE INTERVENTION INTO THE LABOUR MARKET FOR YOUTH:

The Implementation of the Youth Training Scheme in Three Local Labour Markets

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## CONTENTS

### PART ONE

#### CHAPTER ONE

**INTRODUCTION** ........................................... 1

Background to the Research ................................... 1

The Research Study .......................................... 10

Theoretical Starting Points ................................. 13

An Overview of Content ..................................... 15

A Note on Scope ........................................... 20

#### CHAPTER TWO

**METHODOLOGY** ............................................. 22

The Research Problem ....................................... 22

Research Design and Activities ............................ 25

Some Methodological Issues and Limitations ............. 31

#### CHAPTER THREE

**THE STATE IN CAPITALIST SOCIETY : AN OVERVIEW** .... 36

'Classical' Theories of the Modern State ............... 36

Durkheim ...................................................... 36

Marx and Engels ............................................. 39

Weber .......................................................... 43

Functionalist Theories of the State ...................... 48

Contemporary Marxist Theories of the State ............ 52

Instrumentalism and State Monopoly Capitalism ....... 53

Social Cohesion ................................................ 55

The 'Staatsableitung' Approach ............................ 60
CHAPTER TWELVE

STATE INTERVENTION INTO THE LABOUR MARKET RECONSIDERED 256

Some Theoretical Implications .......................... 256

Policy Formulation and Delivery:
  The Case of Youth Training ........................... 261
  The Formulation of YTS .............................. 261
  The Policy Process .................................. 265

APPENDIX ONE ........................................... 272

National Employment and Unemployment
  Information and Related

APPENDIX TWO .......................................... 280

Local Labour Market Information

APPENDIX THREE ....................................... 296

Research Instruments

BIBLIOGRAPHY ........................................... 309
CHAPTER ONE

INTRODUCTION

Background to the Research

The past decade has seen an unprecedented level of state intervention into the training arrangements of school leavers. Directed towards, and in the main necessitated by, large numbers of young unemployed, the state, through its agent the Manpower Services Commission (MSC), has become the main provider of training for minimum age school leavers. The current scheme, the Youth Training Scheme (YTS), directed at both employed and unemployed school leavers has attempted, at least in principle, to ensure that all young people receive some form of training upon entry to the labour market. In this respect, the YTS constitutes an important development in the role of the state in the process of the transition from school to work and the training of young workers.

For sociological study this is of obvious significance. Not only has the YTS had a tremendous impact on the post-school experiences of the young, it also represents a recognition of the failure of capitalism to invest adequately in the training of the next generation of young workers. Add to this the need for the state to alleviate the political effects of high youth unemployment and the YTS takes on a dual function. It is not only an intervention into the training arrangements of school leavers. It is an attempt to tackle one of the most severe problems of contemporary capitalism.

Despite the implications of the growth of the MSC and its interventions into the labour market, there have been few attempts to assess the role of the state in the training of young workers. The interest within the discipline of sociology has come predominantly from the sociology of
education, particularly transitional studies of young people leaving school (see Chapter Three). These have in the past put a primary focus on the experiences of young people themselves. There has been little attempt to relate the special measures of the MSC to the structure of the labour market for youth, or to analyse MSC programmes in terms of the role of the state in the reproduction of the labour force. Nor has the discipline of sociology been greatly concerned with the implementation of labour market policies.

This is not to say that sociological studies have not had a contribution to make to the understanding of government schemes for youth. Earlier studies focusing on the MSC's unemployment measures were naturally concerned with the overall impact of the programmes on youth unemployment. This focus has remained with more recent comments on the YTS. Studies have drawn attention to the limitations of special measures in creating new or permanent jobs (see for example Metcalf 1982, Raffe 1982, Ashton and Maguire 1983, Ryan 1984). Studies which were concerned with the outcome of MSC programmes frequently compared young people on schemes with those in work or unemployment to assess how far such measures improved the competitiveness of young people in the labour market (Sawdon et al 1981, Raffe 1983). There has been little attempt to assess differential impact on different parts of the labour market - with the exception of those typified by personal characteristics such as race and gender (Solomos 1981, Cross 1982, Brelsford 1982, Pollert 1986).

With rising levels of youth unemployment and the subsequent growth of special measures it has become increasingly difficult to consider government interventions as 'cures for youth unemployment'. On a broader front, therefore, government measures have been criticised for being 'cosmetic' and failing adequately to deal with the problem of youth unemployment. As Roberts points out,
"... each new initiative has been an implied confession of its predecessor's limitations. The rapid birth and obsolescence of titles indicates the speed at which programmes have lost credibility, and has invited suspicion that their real political role is cosmetic." (Roberts; 1982, 78)

Though the majority of research has not been neutral in its critique of MSC programmes it has not considered the role of the state. MSC programmes were seen as being unemployment measures designed to take young people out of the labour market and relieve the government of a political problem. The aim of special measures was perceived to be the delayed entry of school leavers into the labour market and/or the creation of "sub-employment" for them. (Roberts 1982)

Studies have also attempted to consider the issue of the training and vocational preparation of school leavers. This has usually focused on the individual within a scheme. For example young people were followed through schemes to work or unemployment in order to determine the vocational content of the scheme, the quality of the scheme in terms of guidance, counselling, specific or broad training, and the individual's perception and experience of the schemes. (see for example Sawdon et al 1981) The particular criticisms made of government interventions such as YOP or YTS have often depended upon the interests of the group making them. Sociological studies have considered the programmes in terms of their impact on the transition from school to work and youth unemployment. But academic research and interest in MSC interventions has run alongside practitioner interest and criticism. Educationalists, training organisations, trade unions, employers associations and 'youth' organisations have all attacked components of the special measures. Various programmes have been criticised for being underfunded, with too small a training component, too short, run by an inappropriate body and/or not correctly represented. Such organisations have commonly shared a basic acceptance of
state intervention, though they may see this intervention in
different ways. The state was a benevolent but inefficient
mediator, a 'welfare' state, or a market regulator.

Critiques by interest groups tend to be reducible to one of
prescription, given that they frequently see current
"measures" as inadequate. If anything, they have often
legitimated intervention by the state by accusing the state
of not intervening enough. In such a way the state is seen
(at least potentially) as a democratic institution which
should be reconciling the needs of all citizens in a
'national interest'. Criticisms that the state 'fails' to do
this rarely focus upon the way policy is enacted within the
wider society. The process of implementation is assumed and
as has been pointed out before, the "implementation process
is assumed to be a series of mundane decisions and
interactions". (Van Meyer and Van Horn; 1975, 450)

However, the response of sociology has not exclusively been
to consider MSC programmes in terms of the post-school
experiences of young people from a 'client viewpoint'. More
recent, Marxist influenced studies have attempted to consider
MSC interventions within the context of a growing crisis
within capitalism and the resultant need to intervene
increasingly in the labour market. (see for example, Finn
1982; Markall 1982; Markall and Gregory 1982; Benn and
Fairley 1986; Finn 1987) For the most part the stated
objectives of policy are not taken for granted but are
located within the broader context of state and capitalist
control over the workforce. In this way, the "true"
objectives of government interventions emerge,

"... we have the YTS which will redefine all young
workers as trainees, provide minimal training,
remove them from the collective bargaining process
and condemn them to a new dependent status
suspended midway between school leaving and wage
labour. Presented as a new 'democratic' right for
all working class school leavers, we see an instrument which will reinforce racial and sexual divisions, undermine comprehensive schooling, and be used to 'remoralise' working class youth as a whole." (Network; 1983, 5)

The intervention of the state in the youth labour market was related to the structural contradictions inherent in the capitalist form. Government measures were necessitated by the problem of rising numbers of young unemployed. Mungham (1982), argued that the current concern over youth unemployment represented a 'moral panic',

"... the vision of workless youth was never primarily one which saw too many hands that should be put to some productive use, but rather one where youth unemployment was woven together with crime, insubordination and moral degeneration into an imagined dark and threatening alliance." (Mungham; 1982, 30)

The specific problem was the fragile relationship young people have with the labour market. The real problem for the government was not merely the overall number of young unemployed but 'their fragile and critical relationship with the labour process' (Markall 1981) which created a situation whereby,

"Large numbers of young people are expected to nourish the seeds of a "work ethic" whilst simultaneously denied access to work." (Markall and Gregory; 1982, 59-60)

The response to this dilemma was to form a series of state measures which would provide young people with work experience and expose them to the values of the work ethic, preserving the reproduction of labour. The government implemented a series of measures to show they were taking
positive steps to alleviate unemployment. However, these measures have often been contradictory to other policies adopted by the current government. Fairley (1982a), for example, pointed to the contradiction of selling YTS as a 'training measure', whilst simultaneously dismantling state supports for industrial training and re-introducing 'voluntarism' into the training system.

Writers in this Marxist tradition have argued that youth training measures were not merely cosmetic rehashes of previous measures. The increasing intervention by the state into the labour market was seen as a means of redefining the problem of unemployment into a problem of the working-classes, rather than focusing on the structural problems of capitalism. (see for example, Markall 1981, Finn 1982, Markall and Gregory 1982, Cohen 1984, Benn and Fairley 1986 and Finn 1987). The state then was not just attempting 'to do something' about unemployment. It was intervening for the purpose of deskilling and reskilling the unemployed,

"They are not simply humanitarian organisations doing their best for the "deserving" unemployed. They constitute in effect a qualitatively new apparatus for the recomposition of the working class." (Markall;1981,1)

The state was not merely concerned with preserving the work ethic and the smooth transition of young people into the labour market over a period of temporary unemployment. Rather, it had increasingly to intervene to ensure these needs were continually met and so had a transformative effect on the education and training sector. The Great Debate of the 1970's not only allowed the problem of youth unemployment to be reinterpreted into one of youth. It provided the means by which the state could radically alter current means of educating young people by changing to a vocationally orientated curriculum designed more to 'fit' the needs of industry. It was argued that behind the ideology of
"training" put forward by the state, there was little more than the attempt to erode traditional craft skill, change attitudes to work and redefine education and training. State intervention had taken on a more permanent character. Whilst special measures were initially a palliative response to high levels of youth unemployment, state intervention was no longer confined to the periphery of the labour market. The measures,

"cannot be seen simply as a means of channelling and restricting responses to mass unemployment ... It is important to recognise its (the MSC's) transformative role. It is not simply absorbing or distracting the young unemployed. It is also actively and increasingly intervening in the cultural and material processes whereby young people learn about wage labour." (Markall and Gregory; 1982,61)

If the majority of accounts of the MSC's interventions do not see as central the role of the state, those emerging from this Marxist perspective do. However, whilst more traditional accounts have assumed a neutral or potentially democratic state, contemporary Marxist accounts have drawn upon instrumental Marxist strands. The state was seen as a key actor in the maintenance of conditions necessary for capital accumulation.

"The MSC is centrally located amongst a battery of state apparatuses in attempting to maintain the social pre-requisites for capitalist production". (Markall;1981,29)

As an agent of the state the MSC, far from implementing programmes which could produce social reform, was seen as part of an overall strategy to maintain existing class divisions.
"... the MSC, whilst it may have a rhetoric of social concern, in no way sees itself as engaged in a struggle against existing forms of class, sexual or racial privilege. Indeed, its activities to date simply reproduce and reinforce these fundamental distinctions emanating from the world of work." (Markall, 1981, 27-8)

This approach contrasts with those for which the overall objectives of the state and its class allegiance are not of central concern. However, they both share a tendency to make assumptions about the objectives of government interventions. Non-Marxist and evaluative studies of MSC programmes have tended to take stated objectives at face value and analyse the programme in terms of its outputs. In other words, does it meet its own objectives? But Marxist analyses that have emerged from the instrumental school of thought redefined the objectives of policy in terms of a political theory of the state. In this instance state policies were in the interests of capital. The state was depicted as providing measures which merely "appeared" to tackle social problems. In this sense, the institutional structure of the state was assumed as was the control the state had over the outcome of its policies. When the process of policy implementation has been considered in an effort to explain the differences between stated intention and effect, it was only to show that the state succeeded through the process of implementation in transforming the outcome,

"Thus, this "neutral" state responds to popular demands by systematically transforming them through its practices and apparatuses. What is claimed "as a right" returns in unrecognisable forms - the right to sustenance becomes queues at the social security office ... The right to health care means waiting lists, inadequate facilities (...) and pharmaceutical solutions to real social and
economic problems; the right to work means low pay, redundancy and the facility to retrain, and retrain, and retrain ..." (Markall; 1981,30)

Contemporary accounts of state intervention into the labour market have lacked a systematic attempt to consider the way in which policy is formulated, negotiated and delivered in the context of present day capitalism. This would allow for a model of policy implementation which neither took as read the stated objectives, nor reinterpreted them without elaborating the way in which this has occurred. Marxist analyses of state interventions have had particular problems in reconciling the assertion that the state was effectively transforming the educational and training systems through the programmes of the MSC with an admission that the MSC is often in conflict with the government and unable to exert any influence on economic policy. (Markall and Gregory 1982, Finn 1987) First the MSC is portrayed as a powerful, new apparatus capable of extending the power of the state into the reproduction and reformation of the labour process. Then it is shown that the objectives of the MSC are being eroded by the political needs of the government,

"Indeed, the MSC may now be likened more to a field ambulance struggling to service and ever widening and ever more embattled 'front line' than a sophisticated interventionist agency expertly planning and effecting the transformation of our labour process." (Markall and Gregory; 1982, 67)

Though instrumental Marxist accounts of MSC programmes undoubtedly break away from providing normative critiques of government programmes, they implicitly adopt a conspiratorial approach to the formulation and delivery of public policy. (1)

(1) For a critique of Marxist functionalism in this context, see Cohen 1984.
In general the role of the state has not been a focus of interest of sociological studies of MSC interventions. The focus of this research has emerged out of a dissatisfaction with both Marxist accounts of state intervention and normative policy studies. It starts out from the premise that if the sociological analysis of social policy is to be effective, it must examine the process by which policy is founded and not just the outcome of this process. As has been argued, sociological accounts have traditionally been more concerned with policy impact than policy implementation. (Van Meter and Van Horn, 1975) Theories of the state and state intervention which do not account for the policy making and delivery process may only be able to explain policy in terms of its outputs at a very general, often aggregate level. The 'why' is commonly taken for granted, often attributed in Marxist terms to the needs of the state to regulate the means of production in the long term interests of capital, or, in liberal pluralism to the outcome of democratic processes.

The Research Study

The research material of this study is concerned with the way in which the state has sought to intervene into the labour market for youth through the YTS. Moving away from similar evaluative studies however, it is not a study of the impact of the YTS. Instead of concentrating on the outcome of the policy implementation this study is devoted to the process of policy implementation.

In practice, there are two sides to the content and subject matter of this study. First, it is a study of the implementation of the YTS in three local labour markets. Second, it is an assessment of the role and ability of the state to intervene in the sphere of production.

The first set of questions can be located within the arena of local labour market studies, linked to a concern about the
way young people make the transition from school to work or unemployment. In these terms, the study traces the development of government measures and describes the way in which the YTS has emerged in three different local labour markets. It reveals the extent to which the provision of YTS differed in the three areas and questions the effective operation of the YTS within the local environment. The research illustrates the way in which local labour markets influence the outcome of the YTS and have an important effect on the potential of the YTS to become a route from school to work.

The broad objectives of this part of the study are to look at the extent to which the YTS emerged in line with the local labour markets' 'needs' for labour and/or training. The emerging provision is described in terms of the type of training YTS provided, and the way in which it was 'decided' that individual schemes were to be run. This means examining the provision of places in terms of the criteria through which individual schemes were set up. It also means considering the way in which young people were recruited onto the schemes and how far the YTS forms a new route into work, and what type of work this could be, for school leavers.

These issues are located within the current debate on the position of young people in the labour market and the effects of government measures on the transition from school to work. Consequently the analysis inevitably touches upon the ways in which young people are recruited into work and the degree to which government measures are used as a means of screening potential recruits as trainees, or even as free labour. It also looks at the way in which government training measures such as the YTS are part of a shift in the form and content of training.

The second set of questions is concerned with the way in which policy is negotiated, formulated and delivered. To answer them means analysing the development of government
measures for youth unemployment and the formulation of the YTS. This is an area of social policy for which no set of administrative procedures or means were in operation and where the implementation of policy became a process of negotiation and operationalisation of conceptual objectives.

The aim of this analysis is to illustrate the way in which policy objectives become reinterpreted throughout the formulation and implementation of a policy. It puts forward the argument that some types of state policies, such as training programmes, are crucially affected by the structure, organisation and interests into which they are negotiated and delivered.

The approach adopted here is to examine the problem by tracing through the policy making process. It starts with an analysis of the means by which policy is negotiated and formulated, the way in which different interests are represented in this process and the effects of the organisation of the state itself on the definition of political, economic and social problems. This provides the context for an analysis of the way in which policy is delivered and the structure into which it is located and asks which groups have control over the definition and outcome of policy and at which points they are able to exercise any control or veto power. As a result of the analysis, the study questions the ability of the modern state to intervene effectively in the labour market.

The YTS is used as a type of "case-study" of policy implementation. Whilst the study is largely concerned with describing the implementation of the YTS in three different areas, its theoretical concerns are much broader.
Theoretical Starting Points

The research upon which this thesis is based arose from dissatisfaction with instrumental Marxist accounts of state intervention into the labour market for youth. But it is also a response to the relegation of the policy making process in other non-Marxist accounts of the MSC's special measures. It is an attempt to integrate the two themes running throughout the study of state intervention into the youth labour market; the intervention itself, and the policy process. In theoretical terms this incorporates various different strands. In the first case, theories of the youth labour market incorporate theories of labour markets and labour market segmentation; the recruitment practices of employers; notions of skill and training; the transition from school to work and the impact of unemployment, structural changes and government measures on the labour market for youth. The study of the policy process is more concerned with theories of the state; theories of state intervention and types of state intervention and the role of state intervention in the labour process.

A full discussion of all the theoretical contributions which impinge on these areas was seen as being out of the scope of this study. Its primary focus was to understand the way in which the state intervenes in the youth labour market and to consider how policy is formulated and delivered. To do this, the study concentrates on the basic theories of the state and theories of the labour market, and by integrating the two, illustrates the way in which the state is ultimately dependent upon labour market structure in both the negotiation and delivery of certain types of policies. By looking at the state as an institution, in particular the MSC, an assessment can also be made of the state's ability to intervene effectively within the constraints of its own organisation.

The chapters in the first part of this thesis are therefore
concerned with setting out the broad theoretical positions within each of these disciplines. They present overviews of literature rather than critiques. This forms the basis for the development of a framework for policy analysis. The contribution towards sociological theory is the integration of the two for the purpose of understanding the policy process. Furthermore, in the theory of the state it attempts to examine how far the contemporary state is able to respond to the current crises of capitalism. In doing so it looks at whether the internal organisation of the state, and in particular the corporate state, acts as an important constraint on its ability to act as an 'ideal collective capitalist'. It tackles the problem of state autonomy by examining the means by which policy is negotiated and reinterpreted by different groups throughout the process of implementation and delivery. Ultimately it argues that contemporary theories of the state do not adequately represent power structures in their state - society model.

To a lesser degree this work also aims to contribute to the current debates within labour market theory by introducing the state as an important agent among the forces which shape labour market structure and segmentation. As noted earlier, whilst theories of the state have not adequately considered the ability of the state to intervene in the labour market, theories of the labour market have not accorded the state a central role in the segmentation and structuring of the labour market. With this in mind, however, the study does support the findings of those studies which recognise the importance of labour market segmentation by illustrating the differential effects of YTS between occupational and industrial sectors.

Although the thesis does not take on board the theoretical principles of any one school of thought it does rest heavily on the work of those who have also been concerned with state intervention. In particular the theoretical stance taken owes much to the work of Offe. Following Offe, Cawson's work
on the corporate state was important in providing the basis for a policy framework. The ideas expressed are loosely what might be termed a form of Weberian - Marxism. The work of Weber was particularly influential in providing an analysis of the state as an organisation whilst a capital-theoretical Marxist framework has been used in an attempt to develop a model of the state - policy relationship. Although this thesis is also a reaction to contemporary Marxist accounts of state intervention into the labour market, it also owes much to those authors who have used Marxist concepts to extend the analysis of government programmes to that of state intervention in contemporary capitalist society.

An Overview of Content

The thesis is divided into two main parts. The first part is concerned with setting the scene and giving an overview of the theoretical debates relevant to the study. It concludes by presenting a framework for the analysis of the research material. The main analysis is contained within the second part of this thesis. It contains material from both desk based and field work data collection relating to the formulation and implementation of YTS. At the end of the second part a concluding chapter returns to a discussion of the role and organisation of the state in modern day capitalism and the policy process.

The discussion of methodology has been located after this chapter, at the start of part one. The methodology was instrumental in a reformulation of the research problem and is therefore best presented before the main text. As well as giving details of the research problem and research techniques, this chapter looks at some of the limitations placed on the study by the research problem and design. Far from glossing over some of the key methodological issues, the discussion attempts to highlight them. Although they pose particular problems for the analysis in this study they are,
in essence, part of the research problem as well. Methodological issues are therefore presented not only as specific to this research study, but to any research problem that extends beyond quantitative analysis into individual interpretation, perception and interest. An overview of theoretical literature is contained within the next three chapters. Chapter Three gives an overview of some of the main contributions towards a theory of the state. Whilst this starts with a consideration of the contributions of Durkheim, Marx and Engels, and Weber, a major part of the chapter is devoted to more contemporary work. In particular, a contrast is made between neo-functionalist theories and contemporary Marxist analyses of the state. The chapter concludes with a preliminary discussion of the work of Offe.

Chapter Four looks at theories of the labour market and labour market segmentation. The initial part of the chapter considers some of the earlier attempts to conceptualise the segmentation of the labour market, most notably the work of Doeringer and Piore. This leads into a discussion of more recent, and more complex, attempts at segmentation theory which have arisen out of the earlier dual labour market theory. The latter part of the chapter looks at the position of young people within the labour market. Rather than presenting the findings of studies which have tried to locate young people within specific industrial and/or occupational segments, it examines the problem from a theoretical point of view. It is argued that the recent concern over the position of young people in the labour market has arisen largely from the need to explain disproportionate rates of youth unemployment. As a result the analysis of the position of young people in the labour market centres on a debate about the causes of youth unemployment. Whether intended or not the schools of thought involved often make theoretical assumptions about the position of youth in the labour market.

Chapter Five returns to theories of the state. These are elaborated into assumptions or theories about the role of the
state and state interventions in present day capitalist society. The implications of such theories for the intentions of social reform and state policy are considered. This chapter further elaborates the work and ideas of Offe in terms of his distinctions between allocative and productive theories of the state, and the crisis of 'crisis management' faced by the modern capitalist state. The latter part of the chapter looks more specifically at the role of the state in the reproduction of labour and the failure of policy analysis to question adequately the process of policy formulation and implementation within this context. Here it is argued that current theories of the state do not adequately incorporate any notion of policy making process and delivery. Likewise, labour market theory has, until recently, failed to take account of the actions of the state.

Chapter Six is devoted to the conceptual framework for the analysis of the results. Whilst this framework is developed specifically for understanding the implementation of the YTS it is formulated in more general terms. This enables it to locate the analysis of YTS policies within the arena of the productive sphere, particularly work and training.

Chapter Seven marks the beginning of the second part of this thesis. It traces the development of state interventions into the youth labour market. In particular it looks at the emergence of the MSC and the development of special measures intended to alleviate the worst effects of youth unemployment. The growth of the MSC and its special measures are seen in terms of a need to respond to a political and economic problem. The development of the YTS is typified as an administrative response to a political problem which resulted in a shift in emphasis from 'unemployment' measures to 'training provision'.

The emergence of the YTS as a part of the New Training Initiative is taken up in greater detail in Chapter Eight. This starts by explaining the emergence of the NTI and the
prioritising of the school leaver group. A brief overview of the main components of the YTS is given. The latter part of the chapter then looks in more detail at the constraints on the formulation of the programme. In particular the role of the MSC in relation to the government is considered in terms of the autonomy of the MSC and its ability to achieve its own objectives. The position of the MSC is also seen in terms of its relationship to other parts of the state, most notably the DES and the education sector. Finally the discussion leads onto an appraisal of the different interest groups represented - and not represented - within the policy making process. Here it is argued that representation in the policy making process may not, ultimately, be as important as the ability to renegotiate and reinterpret objectives within its implementation.

Chapter Nine examines the actual implementation and delivery of the YTS. Initially it sets out some of the broad issues facing the delivery of the YTS. The major part of the chapter, however, is taken up with a description and analysis of the way in which the YTS emerged in three local labour markets. After describing the way in which the training provision was set up, it attempts at a very basic level to look at the provision of YTS within the context of local labour market conditions and the availability of training resources. At this level it is argued that the emergence of YTS provision did not reflect either the demand for labour or training at a national level. The emergence of YTS had more to do with the availability of training resources (of an appropriate nature), local networks and national constraints and guidelines.

Chapters Ten and Eleven explore in more detail the way in which the YTS was set up and operated. In Chapter Ten, the recruitment channels to and within schemes are considered. This, it is argued, is important in terms of the hierarchical ordering of schemes and the extent to which the YTS is likely or able to break down existing discriminatory practices
within the labour market. In effect, it is argued that the way YTS is delivered is conducive to changing practices only at the margins and is more likely to maintain existing divisions within the labour market.

In Chapter Eleven the concept of YTS as a 'training scheme' is tackled. Here it is shown that the YTS represents a redefinition of skill which coincides with the emphasis put on 'process' as opposed to 'specific or traditional' skills. In this sense the YTS is not seen as being contradictory to the dismantling of statutory training bodies or the shift from vocational to pre-vocational training. However, it is also argued that sectoral differences in the response to the YTS and its subsequent use are present. This means that the YTS is likely to function differently between different industrial or occupational sectors in a way which may well be determined by the characteristics and power relationships within different labour market segments. This affirms the argument that policy can be renegotiated within its delivery when it occurs within the productive sphere. It also draws attention to the question of whether the state is able to transcend constraints of structure and process in policy implementation.

In the light of the analysis of the research findings Chapter Twelve reconsiders whether the state is able to intervene effectively in the labour market and how far current theories of the state adequately explain the process of policy delivery. Although the thesis does make some general conclusions relevant to this theoretical problem its main contribution is to spell out some of the factors which would need to be taken into account in explaining the role of the state in crisis management. Here it is argued that whilst contemporary theories of the state deal with allocative functions of the state, they do not adequately explain the attempts by the state to intervene in the sphere of production and the reproduction of labour.
Material seen to be important, but not central to the argument developed in this thesis has been confined to separate Appendices. Appendix One contains background information on employment and unemployment as well as material relating to the MSC, special measures and the YTS. This information is particularly relevant to the discussion in Chapters Seven and Eight. Background information on the three local labour markets, and aggregated information on the emergence of YTS provision in the three areas forms the content of Appendix Two. This information pertains predominantly to Chapter Nine but is of some interest also to Chapters Ten and Eleven. Information supplementary to the methodology of the thesis is contained in Appendix Three; it includes a selection of checklists used in the interviewing within the three areas.

A Note on Scope

Finally, it seems poignant to draw attention to some of the limitations of this thesis and to outline its scope. That is, to consider what this study is not about.

The study is centrally concerned with the ability of the state to intervene in the productive sphere. It considers this problem through an analysis of the policy making and delivery process. Specifically, it looks at the formulation, implementation and delivery of the YTS. It is not a comprehensive study of the YTS; and does not attempt to evaluate the programme. This is just as well because, four years on, if this study were an evaluative one, it would be history. As it is, hopefully the arguments it contains are not diminished by the passing of time and the conclusions drawn are still valid.

The research was essentially concerned with the implementation of the YTS and as such no concerted attempt has been made to update the material. It is acknowledged
that the YTS is now, for some at least, a two year programme, is funded somewhat differently and has come to rely more on colleges of further education than was originally the case. These are not, however, made into fundamental issues, and no systematic attempt has been made to footnote current developments. It is understood that the way in which policy is formulated and delivered is crucial for an understanding of its outcome. In this light, changes in the programme's delivery or objectives are a continuance of this process rather than a separate event. This does not detract from the main argument. Likewise current developments in the state's role and changes in education and training have been noted where relevant. These are usually mentioned where they follow trends apparent in the period within which the YTS was launched: for example, the attempts to fund advanced further education through a central funding body and the proposal of a Department of Education and Training.

Finally, this is a study of the intervention of the state into the youth labour market in Great Britain. A comparative study would undoubtedly have enhanced the research but was not attempted. Ultimately, the policy framework developed in this thesis may be difficult to utilise within the context of social policy implementation in different nation states. However, if the principles upon which this study is based are valid, this is not an insurmountable theoretical problem.
CHAPTER TWO

METHODOLOGY

The Research Problem

The introductory chapter presented the research problem within the context of sociological and political concerns. The aim here is not to restate the focus of this research but to outline how it developed and how the research problem was formulated.

The research developed alongside current developments in MSC interventions. As frequently happens in post-graduate research, the focus of the research and implicitly the research problem, also changed as the fieldwork progressed.

Initially, the research aimed to follow trainees on YOP through to un/employment in an effort to examine the effects of YOP on the entry into work. This study was linked through ESRC funding to research on the structure of the youth labour market in three local labour markets; Sunderland, Leicester and St Albans. (see Appendix Two) Young people on YOP were to be interviewed in all three areas to assess the differential effects of local labour market conditions on the use of YOP. The emphasis of the study was to be on the experiences and attitudes of young people on YOP and their post-YOP destinations.

The original research design thus took rather a static view of the MSC's special measures. The studentship began in October 1981 whereupon it became clear that a study of the transition of young people from school, through YOP and into un/employment was not feasible given the timing of events. The timing of the research was such that YOP was being phased out yet YTS was not established. Given this it was not possible to evaluate the effects on the transition from school to work (or unemployment), through a study of young
people's experience of YTS. The advent of the New Training Initiative (NTI) did, however, present an opportunity to look at the emergence of YTS in the three local labour markets. It was decided to broaden the research and examine the emergence of the YTS provision. This shifted the emphasis away from the experiences of young people, to the organisation of the schemes themselves. It did, however, allow a study to be conducted which looked at the effects (and constraints) of the local labour market on the provision of post-school (YTS) training. At this stage the problem was to examine the differential effects of local labour markets on the delivery of YTS. The research traced the emergence of provision in an effort to show how the local labour market structure and other local conditions had an effect on policy implementation. The early findings indicated that policy failures and ineffective implementation could not be reduced to conspiratorial theories of state intervention. Such explanations implied that the state could override local constraints on the operationalisation of policies such as training provision, which were situated in existing structures. At this stage, the main interest of the study was the impact of the local labour market structure on YTS rather than the effects of YTS on the local labour market. However, even at that stage the study did seek to address questions about the potential effects of YTS on the labour market for youth.

During the course of the research it became clear that although local labour market factors were important in explaining variance in provision they did not take account of delivery mechanisms and other constraints on the scheme. At the time when YTS was being planned, prior to its delivery, decisions were made which constrained delivery at the local level. The limitations of the emerging provision could not be reduced to local labour market effects.

A related problem concerned the means by which local labour markets constrained or inhibited "effective" delivery of
policies. Once it became clear that policy was not only being delivered, but was being reinterpreted and renegotiated, the study started to address these broader issues. At this stage it would have been possible to retain the original focus of the research and deal with issues emerging from the actual policy making and delivery process within a conclusion. However, this did not allow for the difficulty in analysing and interpreting the material collected. To retain the original focus and design seemed unsatisfactory.

Instead the research itself was redefined in order to examine the way in which policy (the YTS) was negotiated, implemented and delivered. This still retained a focus on the emerging provision of YTS within three local labour markets and its potential effects on the youth labour market. However, these issues were now considered within the broader framework of policy analysis. This entailed an examination of the way the policy emerged, the context within which it was implemented and the ability of different groups (for example, workers, employers, trainers) to reinterpret or influence the outcome of the scheme.

As the definition of the research problem itself changed so did the theoretical focus, from a central concern with youth labour market theory and transition from school, to theories of the state and state intervention. The concern was more with the structure and operation of state institutions and their appropriateness for dealing with the contemporary crisis of capitalism. An initial concern with YTS led to a more fundamental concern with the conditions and determinants of state intervention in the labour market within capitalist society.

Had the methodology adopted for this study been more rigid and well defined, such a change in research problem would not have been feasible. However, whilst certain changes were made to the research design and the subsequent analysis they
were not as major as might have been anticipated. This is not to say, that a shift in emphasis did not pose any problems in terms of data collection and analysis. Certainly it changed the whole structure of the thesis presented here.

Research Design and Activities

The need to study the emerging provision of YTS in the three local labour markets was itself a research problem which necessitated a flexible research design. Consequently the shifting focus of the research did not necessitate a radically different set of research activities although it did include some extra activities. It also meant that information which was originally collected as background data or even contextual material became more important in the subsequent analysis. Likewise, some of the information collected was not found to be relevant to the subsequent analysis and was not used in the following chapters.

The research for the study was divided into desk based research and fieldwork. Desk based work consisted of studying literature and documents relating to the setting up of the YTS as well as press coverage of youth unemployment and government schemes. A major part of this was the analysis of MSC reports and consultative documents. The desk based research was initially at the level of collecting background information on the YTS and the development of training provision for the young unemployed. It was not allocated a great deal of time and was scheduled to be more or less completed before the main research, the fieldwork, was to be carried out. In the event, the shift in the research problem made this part of the research much more important than anticipated as background material gained an explanatory nature. It was subsequently extended and material was collected throughout the period of the research study.
The fieldwork consisted of interviewing MSC and careers staff and scheme managers in the three local labour markets. Information of a quantitative nature was also collected wherever possible though the basic approach was of an open-ended interview using a checklist. (see Appendix Three) The bulk of the fieldwork was carried out in Leicester with material collected in St Albans and Sunderland being utilised primarily as a contrast to Leicester.

In all three areas the careers service was an initial point of contact. In Leicester a series of visits were made to the careers service during the time leading up to, and for some time after, the launch of YTS. The fieldwork in St Albans and Sunderland started later than that in Leicester and careers staff were not visited until June and July 1982 just prior to the official launch of the YTS. Contact was retained with all three careers service offices throughout the duration of the project.

The interviews with YTS scheme managers were in two phases. Prior to the launch of YTS a number of interviews were carried out in Leicester with organisations running New Training Programmes (1), who envisaged becoming managing agents for YTS. Information was collected both on the scheme they were running and on their proposals for a YTS. After the launch of YTS, those of the above who had become managing agents, plus many others in the Leicester area were visited and interviewed about their schemes. In addition, meetings of the 'Managing Agents Forum' in Leicestershire were attended throughout the duration of the first year of YTS.

The fieldwork component in both St Albans and Sunderland formed a much smaller part of the research and interviews conducted with managing agents were intended to contrast ______________________________________________________

(1) NTP's were the forerunners to the YTS. Although the MSC also ran a small number of actual YTS 'pilots', no pilot schemes were run in the three study areas.
types of schemes across the three areas rather than give a full picture. Careers staff, though interviewed, were not continually visited as was the case with the Leicestershire careers service.

Initially the 'sample' of managing agents was intended to provide a representative sample across occupational training families (OTF's). However, the way in which the scheme emerged and the tendency in Leicester towards multi-OTFs made this difficult to achieve. The intention of sampling in this way was based on the premise that YTS schemes would bear some relationship to the industrial structure in an area and it would therefore be possible to access the impact of YTS on entry to work within industrial and occupational sectors. However, whilst this may be more feasible now, the response by different sectors to YTS in its first year made this difficult. Also, the interviews of managers of NTPs revealed differences in the way schemes operated which appeared to depend more on organisational factors as well as occupational sector. It was decided therefore to try to represent a broad range of occupations and industries and take some account of differences in managing agents themselves.

At this point two decisions were made. First that nationally negotiated small one or two place schemes would be excluded from the fieldwork. Second to focus on Mode A rather than Mode B provision. (1) Tables 3.1 and 3.2 (Appendix Three) provide an overview of the interviews carried out with information on OTF, Scheme Type and numbers of places covered. This gives some indication of the range and number of interviews carried out.

(1) For a discussion of the different modes of YTS delivery see Chapter Eight.

27
Checklists were used extensively throughout the fieldwork. Although there was a basic format to these, they varied depending on the type of managing agent and provision. For example, employers acting as managing agents would be asked questions not relevant to a private training organisation. Given the open-ended qualitative approach to the interviewing it was not thought appropriate to use a standardised set of questions. A number of these checklists can be found in Appendix Three.

There were certain key themes and objectives running through the research design. The main themes were concerned with the interpretation of policy at a national and local level; the constraints upon the implementation and delivery of this policy and the degree to which policy was negotiated. These fall, more or less into three stages of research work which accorded with the implementation of the scheme itself.

In the first place, information was collected on the background and formulation of the policy. This attempted to answer the following questions:

- Within what context did the policy emerge and which groups had an interest or would be affected by it?

- What were the overall objectives of the programme and did they alter prior to its implementation?

- What part of the state was responsible for the intervention and how was it organised?

Second, information was collected on the implementation and delivery of the scheme within the three local labour markets. The broad objectives of this phase of the research were as follows:

- To describe the emerging provision of YTS in the three areas in terms of the organisation and types of
schemes provided.

- To provide a contrast between the three areas in terms of the provision of YTS.

- To look at the process by which YTS was implemented in the Leicester area and try to understand the operating factors within which key decisions were taken, and

- To look at provision of YTS in terms of the occupational/industrial base of an area, levels of youth unemployment and potential for work.

Third, the research looked at the schemes themselves. As already stated, this was primarily conducted in the Leicester area. However, the following was a basis for all the interviews of scheme managers in the three areas:

- To look at the way that different schemes operated and consider how they came to be in this position.

- To look at the operating constraints of schemes and perceptions of YTS held by scheme managers and staff.

- To consider the way in which young people were recruited to the schemes.

- To look at the nature of training provision within schemes.

It can be seen that the methodology adopted for this research was flexible. This was primarily because of the difficulty in predicting where information might come from and what form it might take. In particular, it was not always possible to predict what different types of organisations might define as the main issues. It was also difficult to know in advance how accessible quantitative data was and how useful it might
be. However, the research method can be largely justified by the nature of the research problem. Certainly the reliance on qualitative data was necessitated by the actual research problem. Although quantitative data was collected it formed a background to the more 'soft' material collected through open-ended interviews.

The methodology was determined by the need to study social phenomena not reducible to quantitative analysis. The aim was to make sense of complex arrangements and processes rather than provide an aggregation of "findings". As has been argued,

"The abstraction...of a general model of the scientific method...has led to the neglect, or even the exclusion from the field of systematic research, of wide problem areas which do not lend themselves easily to an exploration by means of a method for which the physical sciences have provided the proto-type." (Elias; 1956, 240)

The main analysis is based on qualitative data. Some very broad trends were noted and in some instances it seemed relevant to categorize findings. However, for the most part information from interviews was not subjected to any quantitative analysis. It did not seem appropriate to treat it as such. Moreover, where quantitative data was collected it was often not possible to utilise it in any comparative way. It was often more relevant to comment on how it emerged (and why) than to compare similar data from the three areas, or even different YTS schemes. As one of the 'findings' of this research was the difficulty in implementing policy without adequate information, it seems not unreasonable that this information was not to hand for the purposes of the research either.

Those chapters which analyse the material collected from the fieldwork therefore take a qualitative approach to the
presentation of this material. Reported speech has been used when it has provided an example of a particular point and where it seemed relevant to the argument. But the qualitative nature of this research lies not so much in the methodology adopted as in the research problem itself.

Some Methodological Issues and Limitations

The methodological problems and issues raised by this research have been dealt with in two parts: first those problems and limitations brought about by the data collection which relate to the research design and problem; second, the issue of data analysis and the framework utilised to present the research material.

In the first case there were some fairly simple problems encountered in the fieldwork and collection of background material. As mentioned above, the quality of quantitative data was somewhat poorer than had been supposed. Although the focus of the research was on the more qualitative data, it was originally intended that it should be presented within the context of more aggregated data collected from the MSC and the careers service in each area. In particular it was not possible to give an adequate picture of destinations of school leavers by industrial sector which could be used to compare with the provision of YTS in each area. Sometimes, it was not so much that this information did not exist - in one form or another - but that it was not compatible with other data, or was based on a small unrepresentative sample. For example, known destinations of school leavers was biased towards certain industries and occupations, and did not always include a majority of school leavers.\(^{1}\) Likewise

\(^{1}\) Careers service information on the destinations of school leavers is often based on a small sample and is in some cases biased towards semi-skilled work in the manufacturing industries.
precise information on schemes by OTF (or occupational/industrial category) was not readily available.

In terms of qualitative data there was, as mentioned above, little attempt to aggregate certain aspects of the information. In particular it could be argued that certain characteristics, such as the period of off-the-job training, methods of recruitment and so on could have been aggregated. However, within the context of this research it did not seem very meaningful to do so. For example, the issue was not so much what proportion of schemes had a given number of weeks of off-the-job training but what the training was, how job specific it was seen to be and what the scheme managers themselves and others felt to be appropriate training within YTS. Likewise the material collected on recruitment was intended to illustrate the different levels within which young people faced selection, rather than to present aggregated data on how many schemes used the careers office, direct methods of recruitment and so on.

On the basis of this research it may well be possible to conduct research of a more evaluative nature. The intention of this research was not, however, to evaluate YTS in this way but to look at the way in which it was set up and operated.

One area of the fieldwork which is limited, is in the extent to which those at the higher levels of administrative hierarchy have been considered. Ideally if the whole process of policy formulation, implementation and delivery were to be studied in a comprehensive manner, access would have had to be gained to MSC officials - and others - at a more senior level. Instead this kind of information was gained through the use of secondary source data such as MSC reports and consultative documents, press coverage and the publications of other interested organisations, as well as sociological and political commentaries on the role of the MSC. Whilst
this is clearly a second best, it was also probably the only means by which this part of the research could have been carried out. Post-graduate students do not have ready access to this level of the state hierarchy. Though not ideal, the reliance on written and readily available material was thought appropriate. It is fair to say though that this remains a limitation in the methodology of this thesis which has some consequence for the analysis of policy formulation and the representation of interests in Chapter Eight.

A second omission from the research design was that of the 'consumers' of YTS, young people themselves. The study would undoubtedly have benefitted from an attempt to represent the views and experiences of young people in the three labour markets. In order to contain the fieldwork in line with the focus of the research, it was decided to concentrate on those instrumental in the setting up and running of the YTS rather than the client group. As a rather poor substitute, wherever possible, the views and attitudes of young people as seen by those interviewed have been included in the presentation of the material.

Some comments also need to be made about the framework developed in Chapter Six. This framework developed as a result of the analysis of the research material. In methodological terms it essentially forms part of the conclusions to the research rather than an analytical framework for the material. Having collected the research material and spent time trying to make sense of the various parts some key issues began to emerge. These formed the basis of a framework for understanding the way in which policy was formulated, negotiated and delivered. This posed the question whether it was best to present the material and conclude with the framework as a 'model for policy analysis' or use the framework to present the material arising from the research.
In effect, the solution to this dilemma has to be seen in terms of the research problem and the methodology adopted. The research did not aim to 'test' models or theories but to provide a greater understanding of the process of policy implementation and through this to generate a theoretical model. The methodology adopted here makes use of the facility to move freely from theoretical constructs to empirical analysis and description. In this way the two can be used to refine and refocus each other. In advocating this strategy Elias writes,

"...the study of temporary isolates is useful only if its results are again and again referred back to a model of their system; the properties of parts cannot be adequately ascertained without the guidance provided by a theoretical model of the whole. At an early stage of a particular field of problems such models, like maps of largely unexplored regions, may be full of blanks and perhaps full of errors which can be corrected only by further investigations of parts." (Elias; 1956,245-6)

In this context it was unsatisfactory to present the material without the connecting capacity of a framework. To 'save' the framework to the end gave the analysis no thematic context. As the framework emerged because of the need for such a context it seemed necessary to locate it before the analysis of research material. By doing so the presentation of the research material is able to feed back into the formulation of the original model.

The inclusion of the framework in a chapter prior to the analysis of research material is justified on the grounds that it allows linkages and arguments to develop through the second part of this work. Strictly speaking it is not an analytical framework in the context of this work, and cannot
be justified as such. If anything it is more of a precis of the main arguments and conclusions which arise from both the survey of literature on the state and state intervention, and the research itself.
Chapter Three sets out some of the major contributions towards the development of a theory of the state in capitalist society. It does not constitute a complete literature survey of all work on the state. Nor does it provide a full critique of such work. There has, however, been some attempt to draw out main themes and flaws within particular perspectives. Subsequent chapters draw heavily on the ideas developed in this chapter, particularly those relating to state intervention. For this reason, more discursive comments have been left to a later analysis, particularly within the context of case study material and the framework for policy analysis developed in Chapter Six.

'Classical' Theories of the Modern State

Durkheim

Durkheim's view of the state arose out of his evolutionary position and is primarily functional in character. His analysis owed much to his concern with the increasing division of labour and the evolutionary change from mechanical to organic solidarity. (Durkheim 1933) The increasing division of labour gave rise to social and economic relations typified by organic solidarity. This ran parallel to the evolution of new structures and forms of law which allowed the emergence of the state. The state is therefore seen as a functional instrument of society. This functional definition has obvious problems for the incorporation of a theory of power and authority although it has influenced functional-pluralist accounts of state activity.

In later writings (Durkheim 1957, Richter 1960, Lukes 1973)
Durkheim elaborated his comments on the state. In particular he distinguished between the state as the 'agents of sovereign authority' as opposed to political society as a whole,

"... we apply the term 'State' more especially to the agents of sovereign authority, and 'political society' to the complex group of which the state is the highest organ." (Durkheim;1957,48)

Durkheim did not develop a view of the state which encompassed the administrative bodies and institutions concerned with the actual execution of actions and procedures. The model of the state relates more to government than to bureaucratic institutions. In this respect, the 'function' of the state was to 'think' for society as a whole:

"The whole life of the State, in its true meaning, consists not in exterior action, in making changes, but in deliberation, that is, in representations. It is others, the administrative bodies of all kinds, who are in charge of carrying out the changes ... Strictly speaking, the state is the very organ of social thought ... Its principal function is to think."
(Durkheim;1957,57)

Durkheim believed that the state would give 'considered and mature' thought. It was not an organ that would reflect the collective thought of society. Its task was to supersede this:

"... the state is a special organ whose responsibility it is to work out certain representations which hold good for the collectivity." (Durkheim;1957,50)
This view of the state as an 'organ of thought' has been criticised for ignoring the existence of power and power groups within society. The state was seen as a well-intentioned neutral organ which did not act in the interests of one group over those of another. Moreover, the increasing power of the state was seen as bringing about increased freedom for the individual. Durkheim maintained that the establishment of individual rights, through the parallel development of contractual and civil law, was the task of the state. He consequently believed a strong state to be associated with a greater respect for the individual in society. (Durkheim; 1957, 57) This conformed with the development from mechanical solidarity with its powerful 'conscience collective' and repressive laws to the organic form of society. Organic solidarity, characterised by restitutive laws and a much weaker 'conscience collective' was seen to allow for greater freedom and diversification within society.

Durkheim's view of the state has been criticised for being inherently conservative in its failure to take account of the role of government force and coercion. (Coser 1960, Nisbet 1965) Coser argued that Durkheim was

"... exclusively concerned with those functions which would make it (the state) appear as a kind of brain trust." (Coser; 1960, 221)

Durkheim was however aware that there must be a balance between state power and the actions of secondary groups. There could then be instances where the state could become a 'tyrant' and fail to protect individual rights or 'think' for society. This was supposedly checked by the existence of secondary groups who inhibited the ability of the state to monopolise power. In defence of attacks on Durkheim's conservatism, Richter argued that this is an important part of Durkheim's view of the state and one which allows for an explanation of 'abnormal' state forms,
"A situation of this kind (tyranny) may arise if in the political society there are no countervailing forces pitted against the state ... Secondary groups should be checked by the state and the state checked by secondary groups." (Richter; 1960, 194)

This does, however, lend itself to an explanation of the state as a neutral body in the absence of any analysis of the composition, interests and power of these secondary groups. In particular there is a failure to analyse the relationship between the state and the administrative bodies.

Durkheim's contribution towards the development of a theory of the state has been particularly influential in more contemporary accounts of the state. His view of the state as a neutral body has found favour with functionalist accounts of the modern state. These ideas are discussed in a later section of this chapter.

Marx and Engels

Like Durkheim, Marx and Engels did not systematically develop a theory of the state. It was, however, referred to in much of their work and was to be elaborated in a further volume of 'Das Kapital'. Marx's historical writings have often been centrally concerned with the state and struggles for power and control. His socio-political writings considered the state in terms of its role in class domination and the maintenance of the capitalist economy. A full discussion of the work of Marx and Engels' contribution to a theory of the state has been considered elsewhere (see Jessop 1982) and is beyond the scope of this overview. The following discussion serves only to extract some of the core elements of a Marxist theory of the state.

Jessop (1982, 9-25) argued that three themes run throughout the work of Marx and Engels with respect to their view of the
development and role of the state. Elements of one or more of these are to be found in contemporary Marxist analyses of the state.

First, there is the 'base-superstructure' model. The state is viewed as a reflection of the economic base of society. As a consequence of this all actions of the state are seen to arise out of the needs of the base. At its extreme the 'base-superstructure' model falls prey to economic reductionism as the state is ultimately seen as a product of the economic base. The capitalist state is therefore seen as a product of the capitalist mode of production. Whilst this theme is an important one in the work of Marx and Engels, as Jessop illustrated, it is frequently inter-woven with other themes. Marx and Engels themselves moved away from the assertion that any perfect correspondence between base and superstructure existed.

Second, the state is seen as an instrument of class rule. In this respect, Marx and Engels viewed the state as an institutional structure within the capitalist mode of production representing the interests of the dominant class. As Jessop argued,

"... much of their work is concerned to reveal the various ways in which the modern state is used as an instrument for the exploitation of wage-labour by capital and/or the maintenance of class domination in the political sphere." (Jessop;1982,12-13)

This theme is perhaps best illustrated in the well-known and often quoted claim in the Communist Manifesto that

"... the executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie." (Marx and Engels;1955,56)
and likewise, Engels argued that,

"... it is, as a rule, the state of the most powerful, economically dominant class, which through the medium of the state becomes also the politically dominant class, and thus acquires new means of holding down and exploiting the oppressed class." (Engels; 1969, 431)

As Jessop argued, this theme can also be reduced to economism through its assumption that the economic base determines the political forces which ultimately have bearing on the ownership and control of the state. This would imply the state to be a class institution with no real autonomy. However, by stressing the complexities of state power and the struggle by classes and fractions over control of the state, Marx and Engels moved away from a simple instrumental approach to one which is concerned more with the dynamics of class struggle. Marx and Engels provided studies which concentrated more on the complexities of the state and the variations in the relationship between the state and the ruling class. In particular Marx's comparative studies of the state revealed a more complex relationship,

"...the "present day state" changes with a country's frontier. It is different in the Prusso-German empire from what it is in Switzerland, it is different in England from what it is in the United States. The "present day state" is therefore a fiction." (Marx; 1969c, 168)

Maguire (1978) argued that even in Marx's early writings there was a built-in tension over the role of the state. In Marx's 'Critique of Hegel's Philosophy of the Right', he appeared to view the state both as a servant of the ruling class, and as a 'corrupted' institution:

"Sometimes Marx seems to be arguing that if only
society were freed from the trammels of bureaucracy, it could develop naturally along the right lines. No sooner have we decided that this is the plot, than he implies that what is really wrong is that the state ... is bound too closely to the evil reality of civil society."

(Maguire; 1978, 6)

Maguire argued that Marx did not develop a simplistic instrumental approach in his account of the state. Marx identified three different forms of the state with respect to the economically dominant class: servile, where the state 'serves' the bourgeois interests; dominant, where the state actually imposes its own will on society, and pretentious, where it is servile but attempts to be dominant.

Where a simple instrumental approach would see the state as being controlled by the bourgeoisie, Marx and Engels, in their political studies, illustrated that in reality it rarely held such a position. (1) It is this assertion which leads onto the third theme running through Marx and Engel's writings on the state. This theme depicts the state more as a 'factor of cohesion'. The state is viewed as an autonomous, separate institution which can become a class institution whilst retaining the appearance of neutrality. The state develops in conjunction with the social division of labour and is essentially a functional institution. It becomes 'conquered' by the dominant class and consequently becomes a class institution.

The state is only able to represent the interests of the ruling class insofar as these interests are seen to be 'general interests'. The servile state represents the interests of the subordinate classes in an illusory sense.

(1) See Jessop (1982). This is most apparent in Marx's interpretation of 'The Eighteenth Brumaire of Louis Bonaparte', see Marx 1969b.
This entails the acceptance of the legitimacy of the state by all classes. This theme is found in contemporary Marxist analyses of the state which are based on the hegemonic consent of the subordinate class to the ruling class. The social cohesion approach infers a much greater complexity in the relationship between state rule and class interests than a purely instrumental approach. The state must, in this case, actively win the consent of the subordinate class.

Marx and Engels saw the state as a public power developing at a specific stage in the division of labour to serve the needs of society. This involves the emergence of a system of government separate from civil society. Class relations have a determining effect on the class or capital interests of the state where one class may dominate the state. This approach is taken further in a discussion of the work of Gramsci and Poulantzas.

The work of Marx and Engels provided the basis for contemporary Marxist analyses of the state. However, the lack of any systematic attempt by Marx to develop a theory of the state has meant that a diverse range of 'Marxist' theories have emerged. There has been a tendency for these to polarise into instrumental and structural theories of the state, often taking the extreme points of either from the work of Marx and Engels. In particular, Marx's political statements, for example 'The Communist Manifesto' have lent themselves to a more crude economism than his historical and socio-economic analyses justify. Some of these key approaches are discussed in a later section.

Weber

The development of the modern state is more central in the work of Weber, in conjunction with his work on the process of rationalisation and the development of bureaucracy. Weber saw the development of the modern state in parallel to the
growth of the legal-rational system of authority. Earlier forms of the state were seen as being based upon a feudal system of relations, centred upon charismatic or traditional forms of domination.

Weber's early writings on the state were in some ways similar to Durkheim's view of the state. In 'Economy and Society' (1968) he argued that the state is the consequence - at least in part - of the increasing division of labour. As Badie and Birnbaum pointed out, they both

"... maintain that the growth of the bureaucracy, and hence of the state, is an effect not of shifting class relations but rather of the west's steady progress toward greater and greater rationalisation." (Badie and Birnbaum; 1983, 21)

The state, as a bureaucratic institution, is seen to act in a rational manner, considered as being separate from private property. It was portrayed as a rational administrative body whose actions were in line with the common interest. However, to consider Weber's theory of the state in this way is to ignore his theory of power within society and his elaborated view of the process of rationalisation.

A key point in Weber's theory of the modern state is that it can only exist in conjunction with a monetary economy. The development of the modern state required that the bureaucratic administration was separated from the material means.

"Bureaucratization pre-supposes the existence of a steady income for the maintenance of the administrative apparatus, which at the level of government means the existence of a stable system of taxation." (Bendix; 1977, 383)
The administration, whilst controlling or maintaining the distribution of power through 'law and order' was also dependent upon this social order. The 'paid servant of the state' was central to Weber's theory of the development of the modern state.

Although Weber was not directly concerned with illustrating the development of the modern state, he was concerned with the institutional pre-requisites of such a development. Bendix listed these as follows:

(1) Monopolization of the means of domination and administration based on
   (a) creation of a centrally directed and permanent system of taxation
   (b) creation of a centrally directed and permanent military force in the hands of a central governmental authority

(2) Monopolization of legal enactments and the legitimate use of force by the central authority; and

(3) The organization of a rationally orientated officialdom, whose exercise of administrative function is dependent upon the central authority.

The definition of the state put forward by Weber has two core elements. First, as discussed above, the modern state exists in conjunction with a monetary economy and a separation of the administration from the productive means of society. Second, however, he argued that the state cannot be defined in terms of its ends, that is, the goals to which it aspires. This departs from any functional definition of the state as Weber defined the state in terms of the means specific to it: the legitimate use of physical force. Weber argued that political communities had existed for all types of 'purposes' and pursued all types of ends without intrinsically losing the character of the modern state. The modern state is that
institution which uniquely has the legitimate - or seen to be legitimate - authority.

"Ultimately, one can define the modern state sociologically only in terms of the specific means peculiar to it ... namely the use of force."
(Weber;1970,77-8)

Weber's analysis of the modern state was bound up with the notion of territory. The modern state was seen to possess legitimate authority within a given area and had binding authority over all citizens with this area. Compulsory jurisdiction through legal domination would imply that there was a general acceptance of the legitimacy of such authority. This posed an intentional circularity in Weber's definition. As Bendix pointed out,

"Legal domination (exists) by virtue of statute ... The basic conception is this : that any legal norm can be created or changed by a procedurally correct enactment."
(Bendix;1977,419)

The increase in bureaucratic superiority was not considered to be a good thing in Weber's later work. He did not hold with the view that a powerful bureaucracy would lead to social transformation, but that the community would come to depend, to an even greater degree upon the state. Bendix pointed out Weber's concern that the growth of welfare institutions and pension provision would result in an individual being 'bound' to an enterprise in order not to lose such material benefits. This was linked to what he saw as a decline of the "capitalist mentality", where restrictive or protective practices came to undermine and bureaucratisate the economy,

"As Weber saw it, this prospect meant a state economy in which economic transactions through political manipulation would replace the relative
rationality and individualism inherent in a capitalist economy." (Bendix; 1977, 460)

Weber's analysis of bureaucracy and the modern state was, unlike Durkheim's, not functional in the position it took vis-à-vis the relationship between the community and the state. On the contrary, he was pessimistic, feeling that the control of the state would lead to a society where power and privilege became 'legitimately' defined through public office and education. The individual would become more shackled and ever dependent on the modern state.

Weber did not presume a neutral state but depicted it as an institution which could become politicised. In this situation the state would no longer act in an impartial manner and would inevitably be tied to class interests. As Beetham pointed out,

"Far from embodying the universal and disinterested outlook ascribed to it by conservative mythology, in practice it was unable to free itself from the outlook of the social classes from which it was recruited and to which it was allied." (Beetham; 1974, 66)

The modern state was seen by Weber as an institution which arose out of the need to supersede the traditional form of authority with the legal-rational form of domination. The modern state was defined in terms of the legitimate use of physical force. The increasing power of the state coincided with an increasing dependence of the individual on the state and a corresponding decrease in the 'capitalist mentality'. Unlike Durkheim, Weber did not see the state as a liberating institution and did not adhere to a functional definition of the state. Weber ultimately saw the modern state as being 'politicised' by the dominant class and like Marx and Engels did not see it as being impartial.
Functionalist Theories of the State

Both functionalist and pluralist theories of the state were influential in the late 1950s and early 1960s. Recent revisions to pluralist views have resulted in a reworking of pluralism (Dunleavy and O'Leary 1987). Functionalist theories of the state explained the development of the state in terms of the increasing division of labour in society and the resulting need for an organising and mediatory body. Influenced by the work of both Durkheim and Weber the emergence of the state was seen as part of the process of rationalisation and the resultant separation of the private-civil from public society. (1)

Central to functionalist accounts was the notion that the state developed to perform necessary functions and represented the interests of society as a whole. The emergence of the state marked the beginning of the public sphere and was part of a process of rationalisation which took place in all modernising societies. The functionalist model assumed power to be dispersed among a variety of groups in society. The state, as a neutral, autonomous body mediated between the different interests of these groups. It was therefore seen to represent the overall interests in society,

"...the state was seen as a rational agency, impartial in its outlook and universalistic in its claims". (Badie and Birnbaum; 1983, 26)

The functionalist tradition was particularly dominant in American sociological theory and is perhaps best known through the work of Parsons (see for example Parsons 1966, 1971). Parsons maintained that modern society was characterised by a change in the balance between the power

(1) For an elaborated discussion of functionalist theories of the state see Badie and Birnbaum (1983) Chapter Two.
of groups and the power of government in favour of the latter. This was seen as a necessary characteristic of social evolution. The process of differentiation - through the increasing division of labour - was the determining force in the development of the state in conjunction with the establishment of an autonomous legal system.

Like Durkheim, Parsons saw the state as an integrative body, aiding the process of differentiation. Parsons believed a strong state to be a good thing for increasing social harmony. It was seen as being capable of developing new roles and alleviating the initial effects of differentiation such as inequality and conflict.

The functionalist viewpoint assumed rather than demonstrated the dispersion of power. The new social order and the emergence of the state had the effect of removing or freeing power from the old established orders. Power was distributed among new groups which ensured that it was not monopolised by any one group. This notion of dispersed power can be traced back to Durkheims view of the class neutrality of the state and its relationship to 'secondary groups'. The importance of the legal system was emphasised by both Weber and Durkheim.

The popularity of a functionalist theory of the state runs parallel to pluralism. Both contributed extensively to the view of the state as an institution geared towards social welfare. The existence of secondary or interest groups gave credence to the pluralist view that through the emergence of the state and the political economy, all the interests of individuals within society would be represented. Pluralist theories often accommodate the notion of elites within the context of a democratic state. These elites were individuals, groups or organisations within the wider society. The 'elite' group is seen to be democratic because society is able to reject it at any time through the democratic process of election and representation. It is
this view which has attracted much criticism, particularly from Marxist writers who have taken exception to a view of the state as a neutral, mediating body. There were seen to be problems associated with the functional assumption that power is dispersed and the pluralist view that all interests are represented.

Neo-functionalist theories of the state run parallel to pluralist accounts of state power. Although some pluralist writers have relied heavily on functionalist explanations of the state, the two should not be confused (1).

"Most pluralists have not assumed that every society is a relatively persistent stable structure of integrated elements with a 'system-maintenance' function. Instead they tend to assume that societies are characterized by ubiquitous change and conflict." (Dunleavy and O'Leary; 1987, 21)

Pluralist accounts of the state are more concerned with the means by which society has achieved social integration. This leads them to consider the forms of participation in political decision making. Though tending to assume a polyarchy, pluralism does not necessarily assume power to be evenly or fairly distributed.

Pluralist accounts have been used with elite theory to form an account of 'democratic elitism'. In the United States however, elite theory was a direct attack on pluralist and functional theories of the state. Mills (1956) viewed power as being concentrated at the top levels of society. Power was vested in institutions in such a way that those at the highest levels of the institutional hierarchies would largely control and monopolise power. He examined the distribution of power in the post-war United States, illustrating that

(1) For an elaboration of different pluralist accounts of the state, see Dunleavy and O'Leary (1987) Chapter Two.
three key institutions - the major corporations, the military, and federal government - formed 3 inter-connecting elites. Mills did not accept that pluralist tendencies - interest groups, trade unions and so on - would be sufficient to ensure a democratic representation of interests. Instead he saw the distribution of power in American society as becoming increasingly concentrated in an elite who were more inter-dependent. The policies and actions emerging from this 'power elite' would not reflect the interests of society as a whole. Mills' argument was a direct critique of pluralist views of a neutral state.

Mills' theory of power differed from Marxist writers in that he did not incorporate the concept of 'ruling class' into the examination of the distribution of power. This point is made by Eldridge who stated that Mills,

"...takes the view that 'ruling class' theories assume that an economic class rules politically and that concept does not allow enough autonomy to the political order, neither does it give a clear reference to the role of the military." (Elridge; 1983,83)

Pluralist accounts of state democracy were prevalent at the time when state intervention into welfare provision was on the increase. They depicted the state as neutral, democratic and with the capacity to perform redistributive functions. This view of the caring 'welfare state' received much criticism not only from Mills who challenged the idea that the state was not a power elite, but from Marxist writers. Contemporary Marxist analyses of the modern state arose partly out of the need to provide an alternative approach to the analysis of state power and interest.
Contemporary Marxist Theories of the State

Contemporary Marxist theories of the state have traditionally been divided into two separate strands; instrumental and social cohesion. A third approach towards a Marxist analysis of the state, the 'Staatsableitung' approach has recently been given more consideration as an alternative to instrumental and structural accounts of the state.\(^1\)

Within these different approaches variations occur in terms of the emphasis given to class and capital. Jessop (1982) distinguished between 'class-theoretical' analyses and 'capital-theoretical' analyses of the state. In a pure class-theoretical approach the state was seen as an instrument or agent of class rule. State activity was reduced to the interests of the dominant class. In capital-theoretical analyses the state was seen to act in the interests of capital as a whole. Jessop argued that the class-theoretical approach was more common in instrumental accounts of the state whilst a capital-theoretical approach was more often associated with a view of the state as regulator of social cohesion. 'Pure' types of either are however difficult to isolate and the identification of these two approaches raises the question of the relationship between the dominant class and capital.

The following discussion is not exhaustive in its treatment of Marxist analyses of the modern state. It gives an

\(^1\) For a fuller discussion of contemporary Marxist theories of the state, see Jessop (1982). Dunleavy and O'Leary (1987) define the third approach as functional Marxism. They distinguish between structuralist, capital logic and German neo-Marxist theories of the state. In the following discussion these distinctions have not been made although Offe would fall into the German neo-Marxist school whilst the derivationists are within the capital logic school of thought.
overview of the major positions identified above and attempts to draw some comparisons between their approaches. This discussion is taken up in Chapter Five on state intervention.

Instrumentalism and State Monopoly Capitalism

The instrumental account of the state is associated in Britain primarily with the work of Miliband (1969). Miliband's theory of the state is a critique of the pluralist tradition in political science which assumes the state to be a democratic body capable of acting in the general interest. He argued that far from being evenly diffused, power is vested in a small number of key individuals and organisations within society. The state is a class institution.

Miliband adopted an instrumental definition of the state. Drawing on Marx' and Engels' writings on the state as an instrument of class rule, he postulated that the state could not be considered as a neutral institution, headed by a 'state-elite'. He defined the state functionally in terms of 5 key institutions: the government; the administration; the military and the police; the judicial branch; sub-central government and parliamentary assemblies. First he showed the control over civil society held by these institutions, taking an institutional definition of the state. He then went on to show that the individuals comprising this 'state elite' are predominantly found in the propertied classes,

"... in terms of social origin, education and class situation, the men who have manned all command positions in the state system have largely, and in many cases overwhelmingly, been drawn from the world of business, of property, or from the professional middle classes. (Miliband;1969,66)

The state is seen by Miliband to operate in favour of the classes from which it is comprised. This serves to reinforce
class barriers in society as state action is increasingly in the interests of the 'state elite'. The analysis does not adequately explain the emergence of this state elite and does not explain whether the state merely reflects the inequalities within the society in its composition or creates them through its representation.

In later chapters Miliband moved away from a crude instrumentalist approach by showing how the state institutions legitimise their actions through the illusion that they represent the general interest. Miliband drew on the work of Marx and Engels to show that the ruling class controls by the repression of alternative ideologies and legitimates its class position through its position as the ruling 'intellectual force'. Miliband also argued that the reinforcement of a nationalist sentiment, the power of business to both promote its own activities and veto those of the state - overtly or covertly - are also important for understanding the ways in which the interests of capital are maintained. The process of legitimation is inherent within the system of capitalism and its reproduction,

"... capitalism as an economic and social system tends to produce, in itself, by its very existence, the conditions of its legitimation in the subordinate classes, and in other classes as well".

(Miliband;1969,262)

Although Miliband moved away from a purely instrumental approach to the state, ultimately his analysis defines the state in terms of the class that comprises it. This tends towards a class-theoretical approach to an analysis of the modern state despite Miliband's elaboration of the means by which capital is able to influence or have control over the outcome of state actions.

Miliband's view of the 'state elite' as a ruling force is set within the context of an analysis of what is commonly
referred to as 'State Monopoly Capitalism'. State Monopoly theorists view capitalism as a series of historically distinct stages in which a fusion of monopoly forces coupled with a bourgoise state becomes a single mechanism of economic exploitation and political domination. There is seen to be an organic connection between monopoly capitalism and the state. The argument that the state acts on behalf of the dominant classes is taken further in that the state is seen to act on behalf of monopoly capital.

Social Cohesion

In contrast to an instrumental approach to the state, the social cohesion approach starts from the premise that the state predates the development of capitalist class antagonism. The state is seen as an institution which emerged out of the social division of labour to manage the common affairs of society. Whilst this view shares some common ground with pluralism, it differs significantly in the assertion that the state could become a class institution. State power could not, therefore, be reduced to the representation of class interests.

The social cohesion approach differs from an instrumental view of the state in its consideration of the means by which dominant class interests are maintained through the state and represented as general interests. The state is seen to be relatively autonomous from capital and the ruling classes. It is, however, assumed that the role of the state is ultimately determined by the infrastructure and will automatically represent the interests of capital. In an instrumental account of the state the dominant class are seen as the ruling class. Miliband for example, was concerned with illustrating that the state is comprised of members of the dominant class. In the social cohesion model, the dominant class does not necessarily govern and the state is actually seen to act more efficiently if they do not. The
analysis is focused on the way in which the dominant class maintains the social order through the covert conquest of state power.

This view of the state is associated primarily with the work of Gramsci and, following on from Gramsci, Poulantzas. Gramsci (1971) was concerned with the problem of social cohesion and the way in which the dominant class represents its interest as the general interest and gains the active consent of the repressed classes. This view rejects the pure economism often found in crude instrumental accounts of the state.

"... the unity or cohesion of a social formation are a product of specific ideological and political practices mediated through the role of the state and/or private institutions. (Jessop;1982,18)

Gramsci focused on the means by which state power is used to maintain the class hegemony of the bourgeoisie and does not accept that the state can be explained through an analysis of economic relations. The social cohesion approach is more concerned with whether and how the relatively autonomous state can be controlled by the ruling class, than whether the 'state elite' is comprised of members of the ruling class.

Gramsci outlined 2 modes of class domination: force and hegemony. Force is the domination through the coercive and legal apparatus and hegemony the "successful mobilisation and reproduction of the 'active consent' of dominated groups by the ruling class through their exercise of intellectual, moral and political leadership." (Jessop;1982,47) Gramsci emphasised that the maintenance of hegemony cannot be reduced to the indoctrination of ruling class values, nor false consciousness. It is the active consent of the ruled to the prevailing mode of production and the interests of capital. This is more subtle than Miliband's process of legitimation which tends to assume a certain amount of indoctrination and
political coercion.

The influence of Gramsci, particularly the concept of hegemony can be seen in the work of Poulantzas (1978a, 1978b). Poulantzas also argued that class domination in capitalist society is a combination of active consent and constitutional coercion. He considered the state in terms of its function in the reproduction of social cohesion, a view which leads him to a definition of the state equivalent to all those institutions and apparatus which contribute to the maintenance of social cohesion. For Poulantzas, therefore, the state includes not only those institutions and apparatus which have a repressive role, but also those which serve an ideological function such as the church, schools, media, the family, trade unions and political parties. Poulantzas does not consider the concept of entirely separate 'repressive' and 'ideological' state apparatuses except at a purely descriptive level. Neither does he adhere to the view that the state monopolises power through repression and ideology alone as this would inevitably reduce state power to conspiracy. As he argued,

"The state continually adopts material measures which are of positive significance for the popular masses ... This essential material aspect cannot be explained if the relationship between state and popular masses is reduced to the couplet repression - ideology." (Poulantzas;1978a, 31)

Poulantzas' concern was to examine how political domination comes to be secured through hegemony. In this sense the concept of hegemony is used in two ways. (Poulantzas 1978b) First, following Gramsci, hegemony can be used to understand how the political interests of the dominant class are represented as the general interests of political society. Second, and here Poulantzas takes the concept of hegemony further than Gramsci, hegemony can explain the existence of a 'power bloc' composed of several politically dominant classes
with the more dominant fraction or class having the hegemonic role,

"... the concept of hegemony encompasses the particular domination of one of the dominant classes or fractions vis-à-vis the other dominant classes or fractions in a capitalist society."
(Poulantzas; 1978b, 141)

Poulantzas argued that the specific forms of the state and the differences between pre-capitalist and capitalist societies are due to the mode of production. In pre-capitalist societies the mode of political domination was through coercion and force. In capitalism this provides a specific mode of political domination through hegemony. The state acts as a 'universalising instance' which can promote the interests of the dominant classes through the exercise of hegemony. The interests of the dominant 'hegemonic' class are represented as being those of the general interest. Hegemony has a role in unifying the dominant classes and fractions into a coherent power-bloc.

The debate between Miliband and Poulantzas highlights some of the key differences between the two positions outlined above. (Miliband and Poulantzas 1973) Ultimately the instrumental position resorts to economic reductionism to explain the emergence and role of the state. The state is seen as an institution arising out of the base and is essentially a capitalist state. This produces some difficulty in an explanation of the different forms of nation states within a capitalist framework. The state, in this sense, is given no real autonomy and its actions are seen to be in the interests of capitalism and/or the ruling class.

Poulantzas argued that the state stands outside this structure and accords it far more autonomy, effectively widening its shaping force. For Poulantzas, the relationship between the dominant class and the state is an objective one,
not reducible to its members,

"... the state is precisely the factor of cohesion of a social formation and the factor of reproduction of the conditions of production of a system that itself determines the domination of one class over the others" (Poulantzas; 1973, 298)

Poulantzas, following Gramsci emphasised the fragility of hegemony and concentrates much more on the political aspects of state and society than the role the state has in the economic reproduction of society. If Milibands theoretical position is fundamentally based on economism, Poulantzas has been criticised for over politicisation and making

"no attempt to consider how basic forms of the capitalist relation impose distinctive structural constraints on the functioning of the state apparatus and the exercise of state power."
(Jessop; 1982, 182)

Poulantzas was wholly concerned with the state as a hegemonic force and the state comes to pervade total society as hegemony is sustained through all institutions embodied with the dominant ideology. If Miliband developed an essentially instrumental account of the state, both tend to rely on institutional definitions of the state. Poulantzas, through his concern with hegemony is forced to define the state as anything which maintains social cohesion.

Both Miliband and Poulantzas also share a class-theoretical approach to the state through their attention to the role of the state in the class struggle and the maintenance of the social order. However, this would not necessarily imply that an instrumental account of the state would need to develop a purely class theoretical approach and the development of the State Monopoly Capitalism theory involves a fusion of dominant class interests with those of capital. Likewise,
The social cohesion approach can be used to illustrate the way in which the state maintains the conditions necessary for the reproduction of capital.

**The 'Staatsableitung' Approach**

As an alternative to the two theoretical positions commonly associated with Miliband and Poulantzas, a different type of analysis of the state emerged in West Germany and West Berlin in the 1960's and '70's. The 'Staatsableitung' Approach concentrates on the systematic derivation of the form and functions of the bourgeois state in an attempt to show the limits of political reformism. Like the more instrumental approach, this is concerned with providing a critique of the welfare state ideology. The derivationists argued that pluralist notions of the democratic state and social revisionism fail to consider the limits imposed on state action by the laws of capital accumulation.

Müller and Neusüss (1978) argued that the state must ensure the production of commodities within the capitalist framework. This implies a critique of the instrumental account of the state.

"... the definition and criticism of state institutions as the 'instruments' of manipulation of the ruling class, does not enable us to discover the limits of that manipulation. These can only be revealed by an analysis which shows in detail the needs for and the limits to state intervention, arising from the contradictions of the capitalist process of production as a labour-process and a valorization process." (Müller and Neusüss; 1978, 33)

The state is the actual product of a society based on commodity production with its primary function being to maintain this form of production. It cannot therefore be
used as a vehicle for socialism or social reform. For Müller and Neusüss, the state is seen as an 'ideal collective capitalist' regulating the effects of competing capitals, rather than acting in the interests of separate capitals or a particular class.

Müller and Neusüss's argument explains that the actions of the state appear to be neutral because they do not favour the interests of any particular 'capitals'. The 'welfare state illusion' is maintained. Thereafter their analysis is concerned with outlining the form of the bourgeoisie state in terms of the illusory welfare state and its functions in checking the social problems brought about through capital accumulation. They consider the mediations between the appearance of a class neutral state and its essential class character as an ideal collective capitalist.

This type of analysis is more capital-theoretical than class-theoretical. It can therefore be used to explain the limitations of state activity in the regulation of the production process and the control over the social relations of production. The point of this is to show that any social revolution to socialism cannot occur through the medium of the bourgeoisie state and lies instead in the awakening of the working-class consciousness and the dismantling of bourgeoisie forms. Though Müller and Neusüss have an entirely different approach to the analysis of the capitalist state, they share some common ground with Miliband in the extent to which both dispute the ability of the state to implement non-illusory social reform.

The derivationist approach to an analysis of the state is also found in the work of Holloway and Picciotto (1978) who considered previous analyses of the state to be inadequate to explain the failure of the state to 'manage the economy'. Holloway and Picciotto argued that the debate between the 'instrumentalist' and 'structuralist' approach presents a false polarity which hides their common ground,
"... Miliband and Poulantzas focus on the political as an autonomous object of study, arguing, at least implicitly, that a recognition of the specificity of the political is a necessary pre-condition for the elaboration of scientific concepts."

(Holloway and Picciotto; 1978,3)

Both Miliband and Poulantzas concentrate on the development of new political concepts appropriate to their discussion of the political rather than taking Marx's 'economic' analyses as a starting point. The derivationist debate, by contrast,

"sees in Marx's great work not an analysis of the 'economic level' but a material critique of political economy, that is, a materialist critique of bourgeois attempts to analyse the 'economy' in isolation from the class relations of exploitation on which it is based." (Holloway and Picciotto; 1978,3)

The derivationists develop the concepts of 'Capital' as a critique of both the economic and the political form of social relations. Holloway and Picciotto argued that not only do political theorists fail to develop such a materialist conception of the state but that the same division between the 'economic' and the 'political' is to be found in the writings of the Marxist economists, such as the fundamentalists and the neo-Ricardians.

The derivationist tradition has taken Marx's materialist critique of the economy and elaborated this into an analysis of the forms of the state. This has typically addressed two main issues. First, how long the state can continue to 'manage' the crisis posed by the process of accumulation and how far it can act in the interests of capital and second, how limited is the power of reformist groups to influence state activity in the arena of social reform and what is the
basis for a widespread belief in reformism, particularly as this relates to raising the working class consciousness and reform through the control of state power. (Holloway and Picciotto; 1978, 15-16)

There are various different analyses of the state provided by the derivationist tradition which take different starting points in order to derive the form of the state. In some ways similar is the explanation of the state developed by Offe (1975, 1984). Offe uses the concept of crisis management to account for the role of the state in economic reproduction and the process of 'structural selectivity' to explain the class nature of the state. Like the derivationists, he provides a more capital-theoretical account of the state seeing it as an agent for the interests of capital as a whole and not particular capitals. He suggested that the state has a role in the systematic exclusion of the demands and interests of anti-capitalist forces. Through the process of structural selectivity the interests of capital can be represented.

Offe also maintained that the state cannot be an efficient 'ideal collective capitalist' unless it can appear to be neutral and democratic. The specific function of the state is to secure and protect capital accumulation. To perform this function adequately the state has also to secure bourgeois legitimation. Offe's definition of the state includes four major elements which form the starting point of his analysis:

(1) The state is seen to be excluded from the process of capital accumulation; "The state is no capitalist itself"

(2) The state has the power to maintain these conditions of accumulation and counterbalance the possibility of threats or disturbances to this process.

(3) The power of the state depends on the continuity of the
accumulation process.

(4) The state needs legitimation to achieve its goals, "...only if (and only as long as) the capitalist state manages, through a variety of institutional mechanisms, to convey the image of an organisation of power that pursues common and general interests of society as a whole, allows equal access to power and is responsive to justified demands, the state can function in its specific relationship to accumulation." (Offe;1975,126-127)

Offe was essentially concerned with the crisis of capitalism brought about by an expansion of the non-commodity form which threatens to undermine both the process of legitimation and accumulation. The derivationists criticised Offe for suggesting in his early writings that the state, through its various state functions, would be able to avoid economic crises and class conflict. However, in his later writings Offe seems to retract this and concentrates much more on the implicit contradictions between the form of capitalist production and its development, and the obligations of the state given the four criteria outlined above.

The two primary functions of the state, to maintain the conditions necessary for accumulation and to secure bourgeois legitimation, pose a specific dilemma for the state in capitalist society. As the commodity form comes to depend on the non-commodity form the state needs to expand its role as an extra-economic institution in order to secure the general conditions. It has also to provide services which fall outside the scope of the market regulated economic system. Yet the increasing intervention of the state undermines its ability to secure bourgeois legitimation. The growth of the non-commodity form undermines the primacy of the capital relation and the state itself is required to re-establish the dominance of the market mechanism.
Offe went on to argue that the actual form of the state apparatus was often inappropriate to the goals it is required to achieve. This is a departure from the derivationist tradition which is concerned with the limitations of state activity in the arena of social reform. Offe argued it is also inappropriate for maintaining the capitalist relation and bourgeois legitimation. There are however, similarities in their approach and they share a concern for the apparent 'crisis' of the welfare state and the significant growth in state intervention in post-war capitalism. They also relate the form of the state to the economic relation of society. However, the derivationists see the state essentially as a product of the capitalist relation and by virtue of this, a guardian of capital, albeit with certain limitations.

Offe, on the other hand was concerned with how far the state can both manage and contribute to the contradictions within capitalist society. Offe argued that the institutional form and activities of the state have become, alongside the class struggle, part of the inherent problem of capitalism,

"... the 'epicentre' of the present contradictions of the welfare state is no longer traced back to the economy and its class struggles ... Instead these contradictions are seen to derive from the antagonistic relationship between the three sub-systems of late capitalism and, more precisely, from the inability of the administrative-political system to separate itself from its 'flanking' sub-systems in such a way that it can facilitate their undisturbed and independent functioning."
(Keane; 1984,14)
CHAPTER FOUR

THEORIES OF THE LABOUR MARKET AND YOUTH LABOUR MARKET

Early Theories of the Labour Market

In simple terms, a labour market can be defined as a market in which labour power is bought and sold. The labour market is of obvious importance for determining such factors as class position, or in more Weberian terms, the determination of expected life chances. The social sciences have been concerned with many issues which embrace the labour market, for instance, the determination of wage levels, unionisation of labour, skill levels and shortages, the position of various different groups (e.g. young, old, ethnic) within the labour market, recruitment practices and occupational choice.

Conventional labour market economics (originating from neoclassical economics) considered the labour market to be determined through the general laws of supply and demand. In principle this saw potential workers as individuals competing for work rather than groups of labour. Factors such as skill and productivity were the determinants of pay levels with the overall demand for labour, coupled with its supply, governing average wage levels. Conventional fluctuations in wage levels were related to the scarcity or surplus of labour. Within these parameters, skill was directly related to pay. This gave credence to theories of human capital investment which equated levels of education and/or training to occupational status and pay.

The importance of human capital investment to the neoclassical model centres around the assumption that differences between individuals are determined by the skill they bring to the market. This is often seen in conjunction with social class position, recognising some discrimination at the point of entry to the labour market. However, the effects of any internal stratification and inequality within
the labour market, for example, internal labour markets within firms, access to training and in-market discrimination, are not given any significance. There is an assumption of a perfect market. As Ryan notes,

"The market cannot be blamed for inequality, low pay and the like - it merely reproduces the inequality which is brought to it, without being in any way part of its creation." (Ryan; 1981,6)

Neo-classical theories of the labour market contrast with a Marxist theory of wages which link the level of wages to the ability of capital to extract surplus values through the control of the market and the labour process. The price of labour is be set by the cost of its social reproduction (the subsistence level) and the relation between the specific group of labour and the means of production. Though undeveloped as a theory of labour markets, Marx's writings have been developed by recent authors concerned with the polarisation or fragmentation of the labour process (Braverman, 1974). Recent developments within the area of labour market structure and process assume a differentiated labour market and see the inequalities between individuals at the point of production as the basis of class formations.

The initial attempts to develop a theory of the labour market which did not assume it to be universally controlled by the laws of supply and demand resulted in the original 'segmentation' approach, often referred to as 'dual labour market theory' (DLMT). Though the earlier versions of this theory saw the labour market as being divided into two sectors - primary and secondary, dual labour market theory forms the basis for later theories which have put forward a more complex model of labour market segmentation.

Dual labour market theory arose out of a dissatisfaction with economistic explanations of the labour market which considered the supply and demand of labour at the aggregate
level. This, it was asserted, ignored the presence of discrimination within the labour market which could result in the segregation of particular categories of workers into particular types of jobs, or sectors of the economy. Earlier statements of dual labour market theory arose out of the need to explain segregation between black and white workers in the United States as well as the marginalisation of women and young people in the labour market. In this context Doeringer and Piore (1971) argued the hypothesis that the segregation of different 'marginalised' categories of labour could be explained with reference to two types of employment sector; 'primary' and 'secondary'. Discriminatory practices ensured that certain marginalised groups would be allocated to the secondary sector whilst the primary sector would consist mainly of male, white workers.

At its simplest formulation DLMT asserted the dual nature of the labour market, consisting of a primary and secondary sector. This division was initially made at the level of the firm or business sector with the primary sector consisting of monopoly and capital intensive firms, usually technologically advanced firms and industries, and the secondary sector comprising of small, labour intensive firms located in highly competitive markets. Primary sector employment was typified by high wages, a high degree of unionisation and an internal structure within a firm or occupation. Secondary sector employment by comparison commonly paid low wages, had a low degree of unionisation and contained no form of internal labour market. In the primary sector work was seen as being more secure, whereas workers in the secondary sector were less protected from external forces, for example, those of supply and demand. The absence of an internal structure or 'labour market' within the firm led to an unstructured 'career', low levels of pay and so on. Implicitly, jobs in the primary sector were seen as 'good' jobs, those in the secondary sector as 'bad' jobs (Ginzberg, 1979).

The polarisation of the labour market was brought about by an
increasing concentration of industry in some sectors and a continuation of highly competitive but small businesses in other sectors. DLMT relied upon the notion of a dual economy to explain a dual labour market. One of its major achievements was an attack on current job creation programmes which measured employment creation in terms of aggregate levels of demand and supply. As Ginzberg (1979) argued, job creation programmes in the United States in the 1960's concentrated all their effort within the 'secondary sector' and had created few new jobs within the primary sector.

By dividing the labour market into a primary and secondary sector, DLMT also divided the labour force into 'primary' and 'secondary' workers. This was based on the argument that primary and secondary sector employers matched their 'needs' for particular categories of workers to characteristics of available labour. Employers in the primary sector were seen as requiring a more stable and skilled workforce whilst those in the secondary sector needed a more flexible and less skilled labour force. The 'unstable' workers were seen to be ethnic minorities, women and the young and old. Working in the secondary sector, often on a casual basis, they received little or no training, were lower paid, worked in poorer conditions and were more likely to be affected by fluctuations in the market. Bosanquet and Doeringer (1973) argued that workers in the secondary sector suffered the cumulative disadvantages of low human capital investment (training) and labour market discrimination. There was some evidence to suggest that levels of education could lessen the effects of labour market discrimination.

DLMT assumed that the secondary worker somehow reinforced his/her position in the labour market, through some characteristic, orientation or attitude they possessed. If secondary sector employers looked for an 'unstable' workforce, then DLMT appeared to embrace the notion that those groups found working in the secondary sector must be
'unstable'. In this way, DLMT ultimately explained discrimination within the labour market in terms of the characteristics of secondary workers. Moreover, whilst a high degree of unionisation and worker organisation was used as a criteria of primary sector employment, the extent to which such organisations were able to exert influence over working conditions and internal career structures was not expanded.

In later work Piore (1979) attempted to clarify the concept of a dual labour market by further dividing the primary sector into two; the upper primary and lower primary. This allowed a distinction to be made between professional, managerial and workers in the business sector, and those in the primary subordinate sector which were typified by Piore's earlier formulation of dual labour market theory. It also changed the basis of the dual labour market from industrial sector alone to a more complex criteria.

Early formulations of segmentation theory retained some of the problems of dual labour market theory. Although the three tier approach moved away from the original classification of the primary and secondary sectors by industrial sector, it still remained unclear how the labour market became segmented. The assumption that capital-intensive industries required highly skilled workers and low levels of capital investment lead to lower skilled, more labour intensive firms ignored the complexity of the definition of skill. (1) In particular, there was no clear breaking point between primary and secondary sectors which could either occur between industries, between firms in the same industry and/or within firms. (2)

(1) For a discussion on the difficulty in categorising level of skill see Lee (1981)
(2) For an empirical critique of DLMT see Ashton and Maguire (1982a)
A further problem concerned the polarisation of workers into advantaged and disadvantaged. The evidence put forward by earlier dual labour market theorists used average wage levels as an indication of other 'primary sector' criteria such as career progression, job security and working conditions. DLMT also typified secondary sector employees as possessing the characteristics secondary sector employers 'demanded' or would accept, such as instability and the complicity to work for low pay in poor conditions. It was unclear how far the characteristics of either secondary workers or secondary jobs stood up to close scrutiny, particularly when the analysis was centred on aggregate levels of pay. Moreover, as Morgan and Hooper (1980) pointed out, although DLMT may have described certain differences in the employment conditions between groups of workers, it did not provide an adequate explanation of how and why they occurred.

A simplistic dualism did not fully take account of the difference between product market, for example, industry or sector, and a duality in employment conditions. If labour markets were segmented at the firm/industry level into 'primary' and 'secondary' sectors, this need not imply that such a dualism would accord with either employment conditions or workers. Lawson (1981) illustrated the existence of secondary sector employment in the primary sector and argued that a recognition of this fact would imply a greater segmentation within the labour market than a straightforward duality. However, more contemporary work has led to a 'reformulated segmentation theory' which has attempted to supersede some of the fundamental problems of DLMT. This is discussed later.

Contemporary Marxist Analyses of the Labour Process

One of the most powerful approaches towards a theory of labour market stratification emerged out of an historical Marxist framework. This can be seen in the work of Braverman
Braverman argued that the divisions within the labour market were a specific means of fragmenting the working-classes into distinct groups so that the possibility of an emerging working-class consciousness would be significantly reduced. By creating such divisions, the working-classes themselves would seek to protect their status position within the labour market through the use of restrictive practices. The resulting fragmentation of the labour market would serve to reinforce the control of capital.

Capital periodically brought 'new' groups of labour into the labour market as capitalism took over more services. An example of this was the emergence of a female labour force as some of the services normally provided within the home were taken over by the capitalist state. Likewise, as additional cheap labour was required new groups of workers were imported into the labour market. The 'reserve army' of labour reinforced the power of capital to fragment the working classes. The interests of capital were upheld by maintaining discriminatory and divisive practices in the labour market and thereby fragmenting the working-class and keeping labour costs down.

Braverman concluded, however, that despite the apparent divisions in the labour market, the long term development would erode such stratification. In future, he saw workers beginning to see their common plight as the process of deskilling within work organisation led to a polarisation between labour and capital. This brought about a fourth stage of capitalism; 'monopoly capitalism'. Bravermans work has received much attention (see for example Lee 1981), but also the criticism that his whole theory assumed a conspiratorial capitalist class which ultimately supported a unified capitalist dominant class, with a subordinate working-class with either a false or fragmented conscience. As is argued in Chapter Five, this approach is found in many
contemporary Marxist critiques of state interventions.

In contrast to Braverman's work, other writers have shown the historical development of forms of control within work organisation and the resultant segmentation of the labour market. Accepting the validity of an elaborated duality at the level of the firm, Edwards, Gordon and Reich (1975) traced the development of labour segmentation through the bureaucratisation of control within the workplace. This entailed an historical account of the development of industrial mechanisation, automation and technological advancement which could be related to a different mode of control over the labour process. This led to a more complex analysis of the effects of deskilling and reskilling than that acknowledged by Braverman.

Edwards (1979) described three types of control systems which allowed capital to control the workforce (that is, to extract a given amount of labour power). These systems of control were prevalent in different types of industry and were related to the development of individual capitalism. The three systems; simple, technical and bureaucratic were found in similar industries at basically the same stage of evolution. The simple form of control was the type of charismatic and repressive control found in a situation where power is held by one or a few people who can efficiently control the workforce. The growth of these industries created a need for a more efficient means of control. Technical control embedded the controlling element into the machinery and equipment, for example, as in an assembly line. With the expansion of white collar and administrative work the need for a different method of control arose and resulted in the institutionisation of hierarchical power. Work, became highly stratified and rules and procedures defined within company policy and practices. Edwards saw the labour market as the principal means of segmenting the working-class through the three segments which evolved. These three divisions corresponded to those of Piore (1975), the major
difference being that it was the method of control used by industry which defined its sector. Thus fraction I of the working-class was the working poor in the secondary sector which was defined by simple control; fraction II the traditional proletariat who were found working in the subordinate primary sector recognisable by its use of technical control, and fraction III, the middle layers of the working class found in the independent primary sector under a bureaucratic form of control.

The divisions of race and sex were seen as strengthening the resultant fragmentation of the labour market. Like Braverman, Edwards maintained that this fragmentation was retained in order to weaken the unity of the working-classes and undermine their potential as a political force. Ultimately this postulates a conspiratorial view of capital.

Gordon, Edwards and Reich traced the historical development of labour segments in the United States to show the emergence of particular segments which accorded to the fractions of the working-class. They argued that the resolution of these sustained crises in United States led to three stages in the development of the labour market: initial proletarianism, homogeneity and segmentation. The initial proletarianism, from the 1820's to 1890's saw the creation of a proletariat population, the second stage, generalisation of the labour market. The segmentation stage from 1920's to the present saw the organisation of work into three distinct labour markets.

"The segmentation of labour forged and reproduced materially based division among US workers that inhibited the growth of a unified working-class movement." (Edwards, Gordon, Reich; 1975,3)

The value of an historical approach was that it allowed the segmentation of the labour market and the changes in the labour process to be explained in terms of historical
tendencies rather than as a static three tiered labour market. As Edwards et al argued this essentially meant that jobs may be in different stages of the development of the labour process and may not always 'fit' into any particular division.

Labour Market Segments and Shelters

DLMT undoubtedly had problems in dealing with a causal explanation of how the labour market came to be segmented, and in particular the role of workers and capital in this process. However, its overriding contribution was to demonstrate the connection between work organisation and employment conditions. There has, however, been an attempt to utilise DLMT by giving more clarity to the concepts it uses (see for example Althauser and Kallenberg 1981) and reinterpreting the concepts of 'primary' and 'secondary' firms (Osterman 1982).

Recent work on the structure of the labour market has concentrated more on identifying the 'segments' of the labour market and describing the source of such fragmentation. (Rubery 1978, Wilkinson 1981, Rubery et al 1984) The segmentation approach was a further development of DLMT in that it proposed a labour market divided in a way which was not dependent on skill divisions. Segmentation is defined as "different wages for workers of equal efficiency", (Ryan 1981) although it also refers to the process by which some workers obtain conditions and protection from the market and others are disadvantaged, this is not seen as a result of differing worker behaviour or attitudes.

"Segmentation becomes interesting when it results in the failure of the labour market to treat its participants even-handedly, in that it accords significantly different opportunities and rewards to otherwise comparable people." (Ryan; 1981,4)
Segmentation theory can be used to explain the existence of inequalities and divisions in the labour market which in effect deny it neutrality. In this context, "a segmented market acquires an active role in the generation of inequalities and low pay" (Ryan; 1981, 6).

Labour market segments are characterised by a number of different factors, and can be based on either industrial or occupational divisions. Each segment can vary in terms of internal labour market, whether firm, industry or occupation based and hence is capable of having its own particular structure. In terms of the labour force, some types of occupations cross cut labour market segments and some groups of workers are segregated in particular segments. Each particular labour market segment may vary in terms of skill level, recruitment procedure and so on so that entry into one segment may be for unskilled workers with no further investment in training, yet entry into another segment may be at an unskilled level though with further job training that effectively opens up access to a higher level within the segment. (1)

The concept of a labour market shelter is brought in to explain how some parts of the labour market, again based on either industrial or occupational division, effectively protect themselves from the conditions of the market. Such a shelter can exist through the incorporation of restrictive practices, for example as is the case with time serving apprenticeships and other means of controlling entry.

(1) An elaboration of how workers are recruited into different sectors of the labour market, and the effect this may have on career opportunities can be seen in Ashton, D. N. et al (1982).
In an analysis of the labour force, it becomes apparent that particular groups of workers, for example women or ethnic minority groups are concentrated in those segments with undeveloped internal markets, a low skill level and a low level of shelter from the market. However, there are some areas of the labour market traditionally associated with women that are characterised by a high degree of part-time labour, for example in retail and clerical work. Moreover, it is important to note that the concept of market segments does not assume that such work must necessarily be associated with low pay and poor conditions of work. For example, within the general area of retail, there are firms which may fit into the more conventional model of a primary organisation and those which may be associated with secondary employment. (see Ashton et al 1982)

In tracing the development of segmentation theory, Rubery et al (1984) drew attention to three levels of explanation which underlie various attempts to explain segmentation of the labour market: Capital-Labour Conflict; Industrial Organisation and Supply Side.

Labour market theories which focus on Capital-Labour Conflict arose out of the concern of power relations within society and the effects that differential power structure, worker hierarchy and the response of capital have on the segmentation of the labour force. This explains the emergence of market shelters in terms of the power of groups of workers to protect and maintain their position in the market place. The structure of labour markets is explained through the strategies of workers - and capital - in the labour market. Workers are seen to be competing in groups, through for example, unions, trade, or professional organisations. Such segmentation is also controlled or determined by the decisions and interests of management to divide work and produce demarcation within the labour process. Likewise, the outcome of technical innovations with respect to deskilling or reskilling labour is seen within the
context of the relative power of management and labour.

However, opinions vary on the extent to which management decisions are seen as being deliberately divisive to maintain low pay and weaken labour power as a whole. In the work of Edwards (1979) it is ultimately seen as a deliberate mode of control whereas Rubery et al (1984) argued that the effective control of management on the fragmentation and structuring of the labour market may vary. For example, in the introduction of new technologies worker strategies may result in the introduction of new processes in such a way as to reinforce the position of labour, yet in other situations, or even in the same firm but for a different group of labour, the effect may be to deskill work and weaken worker control.

The capital-labour conflict approach draws attention to the need to consider the structuring of the labour market in terms of the relative power of labour, and specific groups of labour, to that of capital. Segmentation becomes an outcome of conflict and an historical process. This effectively refutes economistic "objective" criteria such as skill and pay which become the outcome of capital and labour conflict rather than the basis upon which segmentation occurs.

Industrial organisation is a second explanatory theme running through the segmentation approach. It initially arose out of a concern to show that labour markets are structured on an industrial basis, in terms of the product market and technological conditions. An early example of this approach can be found in Bluestone and Stevenson (1981) whose study of the retail trade in the U.S. illustrated the effects the specific product market had on the reorganisation of work in this sector. Bluestone and Stevenson argued that the transformation of this sector from small individually owned stores to department stores changed the worker organisation from skilled to unskilled labour and that the need for this market to capitalise on new technology brought about the demise of full-time labour, destroyed worker control and led
increasingly to a low pay sector of employment. In such a way Bluestone argued that in the retail trade deskillling occurred not because of a need to control the workforce, but through the need to cut costs which emerged because of the instability and competitiveness of the market.

In a similar vein Gabriel and Holzapfel (1981) argued for the importance of industrial sectors and product markets as a primary source in segmenting the labour market. Rubery (1981) argued that technological processes in industry and product markets lead to the ability of firms to use outworkers, for example a fragmented production process and uncertain or seasonal product markets. Likewise Villa (1981) analysed the construction industry and Moore (1981) demonstrated segmentation within the building industry in the U.K.

The industrial-sector/product market approach is complementary to the capital-labour approach in regarding worker and management organisation and strategies as being conditioned and often conducted through the industrial system,

"... 'economic' factors such as product markets cannot be understood without an understanding of the 'power relations' between capital and labour, the intensity of competition between capital and divisions in the labour force as a basis for intra-capitalist competition." (Rubery et al; 1984, 8)

This, argued Rubery et al, is a rejection of the view held by Edwards, Gordon and Reich that the transformation of industries can be understood with reference to the capital-labour conflict at a macro level as,

"markets and industrial organisation are shaped by power relationships within and between capital and labour ... (this) must be a rejection of simple
notions that the transformation of industries can be understood solely in terms of power relations between capital and labour at an aggregate level."
(Rubery et al; 1984, 9)

Explanations of segmentation which focus on 'supply-side' concentrate on the reproduction of labour and analyse the ways in which political and social forces shape segmentation. Such studies have concentrated on the differences in the education and employment system in different countries, illustrating the significance of these on the segmentation of the labour market. This involves a separation of pre-market from in-market segmentation. (Ryan 1981) Pre-market segmentation refers to the inequalities faced before entry into the labour market, for example, levels of education and skill. This pre-market segregation accounts for inequalities faced through social stratification in terms of advantage or disadvantage. The analysis of pre-market segregation is linked to that of social reproduction and the process of education and occupational choice. In-market segmentation refers to the continuation of such inequalities of opportunities, for example, in access to further training and systems of promotion.

Such an approach frequently draws attention to the weaknesses of the basic DLMT which considers segmentation to occur through industrial organisation rather than as a result of the social and political forces responsible for the reproduction and fragmentation of labour. This refutes the notion that wage levels are the outcome of the relation between demand and supply in the labour market.

Rubery et al argued that the 'reformulated' segmentation approach constitutes a more integrated framework for analysing the changes in employment. Such a framework needs to take account of all three approaches and the context within which they have an impact on the segmentation of the labour market. Four elements are defined as determinants in
In a similar approach to this Schervish (1983) explained the structural determinants of unemployment by identifying four elements in the flow of the economy: The Business Sector, Household Sector, Labour Market and Product Market, with persons, firms and the government being the actors who participate in the economy. Schervish demonstrated the effect that class, sector and business cycle have in contributing to unemployment. This study is of significance to segmentation theory in showing that neither personal characteristics nor labour market structure alone are a sufficient criteria for explaining vulnerability to unemployment. Schervish argued that the inter-relationship of the two sectors and two markets produces through the participation of the three actors, differential outcomes with respect to both employment and unemployment. In doing so Schervish provided a more integrated framework for analysing not only the structural determinants of unemployment but also the factors which produce differential access, position and power within the labour market. Providing an analysis which places the distribution of power as a central theme in the explanation of class resources of bargaining power Schervish recognised the importance of the government not only as a part of the product market, but as an actor within the economy.

The Position of Young People in the Labour Market

Though there have been many studies which have focused on the career patterns of young people, particularly their transition from school into work, few attempts have been made to locate these within a general theory of the labour market. The study of youth and employment has been viewed from different starting points. This has often reflected contemporary concerns. Early work on youth and employment
concentrated on the transitional period between school and work. More recently this has encompassed the transition from school to unemployment and has involved a much wider debate over the relevance of the school curriculum in the face of declining opportunities for young people. Whilst few studies seek to develop a theory of the position of young people in the labour market, current concern over high rates of youth unemployment has inevitably given attention to this. These are relevant to a general theory of youth labour markets as they make particular assertions or assumptions as to the existence and structure of the youth labour market.

There is obviously some problem in linking this discussion to that of labour market theory. As Rubery et al argued a theory of the labour market must inevitably consider the three inter-related aspects of capital-labour conflict, industrial organisation and supply of labour. Studies of the transition from school to un/employment have commonly focused on the latter. Young people are one group within the labour market as a whole and unless a separate labour market for youth exists, there could not be a theory of the 'youth labour market' as such. The position of young people has instead to be related a general theory of labour market segmentation.

Transitional Studies

Early interest in youth employment was focused on the transitional period between school and work. Many studies emerged during a buoyant economic period and attention was centred on job choice, career progression and job changing habits. These transitional studies were commonly based on longitudinal studies of young people. They were explanations of individual attitudes and characteristics rather than a description of existing job opportunities. (1)

(1) For an overview of transitional studies see Clarke 1980.
Typically, earlier studies were concerned with factors which influenced job choice, aspirations and the psychological process of making this 'transition'. (Carter, 1962, Bazalgette 1978) Later studies were more concerned with showing the way that occupational choices were actually constrained within particular limits and linked to factors such as class, culture and local occupational structure, rather than assuming all school leavers had equal choices. Such studies illustrated the ways in which young people became socialised or 'channeled' into particular types of occupations. Ashton and Field (1976) located the experience of the transition and the occupational choices of young people within the context of their social background, whilst Willis (1977) argued that cultural factors determined aspirations about work and so resulted in certain outcomes in terms of the reproduction of class fractions. Sociological studies contributed significantly to work on the social reproduction of labour. The segmentation of the labour market was reinforced by each new generation of workers. More recent research has focused on the transition from school to work within the context of high levels of youth unemployment. (Bates et al 1984, Coles 1985)

Social Psychological studies on the transition from school to work focused more on young people's ability to leave the sheltered environment of the school and adapt to the world of work. Young people were often depicted as being badly informed and not readily prepared for the 'real world' of work. The transitional period was seen as being problematic. Whilst sociological studies were more concerned with who goes where (and why) socio-psychological studies focused more on how young people responded to these changes.

Transitional studies did not tend to concentrate on the study of which sectors or segments of the labour market were occupied by young people. 'Youth' was distinctive only because it represented that period in time when the relationship between potential worker (labour) and work
(capital) was at its most fragile. There was seen to be no
difference between the position of young people and those of
adults in the labour market, holding factors such as class,
educational attainment and gender constant.

Theories of the Youth Labour Market

Despite the abundance of studies on the transition of young
people from school to work, there have been few attempts to
locate this transition in terms of a theory of the youth
labour market. Early studies focusing on job choice
frequently drew attention to the high rate at which young
people changed jobs in the first few years of work. Later
studies have been more concerned with the higher rate of
unemployment.

There has been a general acceptance that school leavers enter
lower skilled occupations which would be comparable to
secondary sector employment. However, this was not
equivalent to an assertion that there was a distinct labour
market for youth; young people were merely seen as part of
the 'unstable' workforce. DLMT has tended to consider the
young to be part of the secondary labour force within the
secondary sector, accepting that young people compete
alongside adults for work. Osterman (1980) used DLMT to
argue that youth employment and unemployment was not a
problem precisely because the disadvantage young people faced
in the labour market stemmed directly from their age.
Osterman argued that young people were commonly found in the
secondary sector of the labour market but moved into the
primary sector as they became older, the transition age for
white males being about 20 years of age. Osterman suggested
that young people had this 'secondary' position in the labour
market because of a 'moratorium period'. During this period,
young people were irresponsible and unsettled, going through
a phase of exploration where their main focus of interest
would be on having a good time rather than having a good job.
As a result they made unstable employees and were therefore more acceptable in the secondary sector. As young people became older, they began to 'settle down' and entered skilled career jobs in the primary sector.

There are three major problems with Osterman's work. First, as a U.S. study of young males it covered college school males for whom work was a means of financing their education. In this situation, casual part-time and unskilled labour in the 'secondary' sector was common. Second, by accepting the basic division between the primary and secondary sector, young people were considered to be part of the secondary labour force because of their work attitudes. Although this may very well be in line with common belief as to the work attitudes of young people, there was little evidence to suggest that they form such a homogeneous group. Third, Osterman's work is based on the US experience where the division between the primary and secondary sectors is more apparent. This is reinforced by institutional divisions, for example, employers do not recruit young people for apprenticeships until the ages of 18-20 years.

Many contemporary analyses of the position of young people in the labour market have been located within a search for causes of youth unemployment and are dealt with later. However, Ashton, et al (1982) looked specifically at the position of young people between the ages of 16 and 19 years in the labour market. They argued that there are three different levels at which young people compete for work with adults. First, there are categories of work, or segments of the labour market where young people compete for work with adults. They may compete unfavourably owing to their relative inexperience or attitudes. Second, there are sections of the labour market where young people have sole access to entry, for example, as in the case of traineeships and apprenticeships where older workers are not considered as suitable. Third, there are segments of the labour market which are closed to young people, for example shift work and
work in the chemicals industry. Employers may also exclude young workers because they are not seen as 'suitable' for particular work. This typology is obviously to be seen in conjunction with differential access on the grounds of qualifications, skill, and local labour market demand. However, the general argument advanced by Ashton et al was that there are sections of the labour market which are predominantly occupied by young people. Though there may not be a 'separate' labour market for young people there are particular sections and occupations where sheltered points of access give them exclusive right to entry.

Ashton et al differentiated between group and individual levels of competition. At a group level competition takes place between specific categories or groups of people (for example, blacks/whites). Employers see such groups as having common characteristics. An employer may make a decision to recruit on the basis of his/her perception of the qualities of these groups and the work for which he is recruiting. Competition within that group then occurs on an individual level. It is effectively the group decisions which differentiate the labour market into those jobs for which young people have sheltered points of entry, those which are closed and those for which young people compete with adults. This is often reinforced or created by institutional pressures such as legislation which, for example, may impose age barriers into specific parts of the labour market.

This argument is based on an analysis of school leavers' entry to work by industrial sector. Young people are found to be concentrated in a narrower range of industries than older workers. Young males are concentrated in six main industrial orders, whilst young females are found predominantly in four main industrial orders. Ashton et al estimated that about 50% of the jobs open to adults in the manufacturing section are in fact closed to young people.

The analysis of entry to work by industrial sector could have
assumed the labour market to be segmented along industrial lines. However, whilst ultimately relying on an industrial sector by sector analysis of the job market, Ashton et al also stressed the importance of the internal labour market and type of firm in determining the structure of opportunities for young people in the labour market. In doing so, they refute Osterman's suggestion that young people move from the secondary to the primary sector. Although many jobs initially closed to young people open up as they mature, a great number are accessed only by those young people entering sheltered 'traineeship' posts. These would be shut off to many young people completely. Therefore, the type of occupation young people have on leaving school can play a determining role in future opportunities.

**Causes of Youth Unemployment**

More contemporary research has been concerned with providing adequate explanations for the disproportionately high rate of unemployment amongst young people. High rates of youth unemployment undermined the validity of previous research which was carried out in a buoyant economy where it appeared reasonable to consider job choice and occupational mobility. High rates of youth unemployment, in comparison to adults, led to a need for an explanation why youth (particularly at the point of entry to work) were more vulnerable to unemployment. The emergence of government measures designed to improve the competitive edge of young people in the labour market led to a shift away from educationally centred studies, to research which evaluated the "effectiveness" of vocational training and unemployment measures.

An explanation of disproportionate rates of youth unemployment must, implicitly, consider the position young people occupy in the labour market. Whilst such explanations considered a number of different factors, it is useful to distinguish the main differences between them. (Raffe
In this sense there are 3 major 'types' of explanation; cyclical explanations which were based on an analysis of aggregate levels of demand for labour; structural explanations which looked at the structural changes in the demand for labour; and supply-side factors such as relative skill and experience, relative wage levels and poor educational standards or motivation of young people to work. Supply-side factors cross-cut cyclical and structural accounts of youth unemployment.

Cyclical explanations have dominated contemporary research with the problem of youth unemployment being seen in terms of changing levels of demand for labour. Youth unemployment was seen to be an outcome of the recession and an overall fall in the level of employment generally (Casson 1979). Raffe (1985) indicated the importance of such studies which provided time series data consistently showing cyclical factors to be significant in an explanation of high levels of youth unemployment. More recently studies have concentrated on a 'disequilibrium' model of supply and demand (Wells 1983). Time series studies have not provided consistent results on the significance of other variables such as relative wages and demographic variables. Whilst they did show young people to be vulnerable to unemployment they frequently produced differing results as to why.

Cyclical explanations of youth unemployment did not assume a significant division between the youth and adult markets. Young people were more vulnerable to any effects of a recession and change in the level of overall employment, but were not seen as competing for essentially different jobs than adults. The assumption was that a rise in the level of demand for labour would inevitably lead to a rise in the level of demand for youth labour.

Whilst for some, the cause of youth unemployment was seen quite simply as a shortage of work generally for others, the problem became one of explaining why young people were more
prone to unemployment than adults. Cyclical explanations inevitably led to a consideration of supply-side factors such as educational standards, relative wages and levels of skill and experience, and the 'calibre' of young people. Despite popular appeal, there was little conclusive evidence to suggest the calibre of young people had fallen although young people with few or no qualifications were more likely to be unemployed. Explanations based on the fall in standards of young people have received much attention, but have been shown to be more a case of perception than objective fact (Raffe 1983a, 1985).

A complementary set of explanations concentrated more on the vulnerability of young people at the point of entry to the labour market, rather than with the individual characteristics of the unemployed. (Ashton et al 1982) First, natural wastage policies affected new entrants into the labour market. If, as in a recession or a contraction of the market, an employer needs to cut back on his workforce, the first people to suffer would be those outside the labour market whose job opportunities would become severely diminished. Moreover, policies of shedding labour, usually on a "last in - first out" basis, generally affected newer entrants to the labour market. In both these cases the young would tend to feel the effects disproportionately to adults and more established workers. (Jolly et al 1980, Raffe 1984)

This led to a second claim that young people were disadvantaged in the competition for work because of their relative inexperience. In a tight labour market, employers would prefer to employ more experienced workers with a proven track record. This explanation is frequently cited alongside the assertion that high wages for young people, particularly a growth in relative wage levels, have resulted in young people pricing themselves out of the market. This has been argued by Lynch and Wells (1983) who have shown wage levels to be one of the major factors in the unemployment of young people. This has been disputed by other writers such as,
Makeham (1980), Hirsch (1983), Hunter (1985) and Raffe (1985), who have shown youth wages to have had little effect on the employment and unemployment of young people, arguing that the main cause of unemployment amongst the young was quite simply a lack of jobs coupled with the precariousness of their situation in the labour market.

Structural explanations of youth unemployment, whilst not disputing the relevance of cyclical factors have also pointed to structural changes in the labour market which have had a disproportionate effect on the demand for youth labour. (Ashton and Maguire 1983) These explanations saw such changes as being essentially permanent so that whilst an overall increase in the demand for labour would result in a fall in youth unemployment, a substantial number of jobs occupied by young people may have been lost on a permanent basis. A certain level of youth unemployment was therefore seen as inevitable.

Such 'structural' explanations are an important departure from cyclical explanations as they essentially argued the existence of a separate youth labour market - though there may be significant differences between how this is interpreted and to what age range it refers. Whilst cyclical explanations played down the significance of jobs which are only accessible, or are closed to young people, structural explanations recognised these as being a significant explanation of young people's vulnerability to unemployment.

For example, the labour market in Great Britain has been characterised in recent years by high unemployment coupled with a shift from the manufacturing to the service sector, and a growth in the importance of part-time labour. Whilst the recession may have been responsible for the loss of some jobs in the manufacturing sector, it has been argued (Ashton 1986) that the decline of some of the more traditional industries, for example, heavy engineering, mining and
shipbuilding are due to a longer term structural change in the economy. This, coupled with an increase in new high technology, capital intensive manufacturing and a growth in the service sector, has led to a decline in work opportunities for semi-skilled and unskilled manual workers, and in some industrial occupational sectors for skilled workers.

Writers who argue for a structural cause for youth unemployment draw attention to the occupations which young people enter. Payne (1985) has shown that for young males there has been a steady decline in the proportion employed in skilled manual work and a somewhat smaller fall in the proportion of white collar jobs. For young females Payne has shown white collar work to be replacing skilled manual work as a major source of employment and the major loss in employment being concentrated in more skilled work.

Changes in the occupational and industrial structure have brought about the demise of many jobs specifically associated with young people, for example, a long term decline in apprenticeship opportunities, junior posts and traineeships which cannot be fully explained with reference to a temporary recession. For example, Ashton and Maguire (1983) argued that it was precisely those industrial orders which had been hardest hit by the recession and by longer term structural changes relating to the nature of work which were formerly the major employers of young people. For males, the decline in construction and engineering was responsible for a declining demand for apprentices. This seriously affected the chances of young people gaining skilled work. Whilst the construction industry was more affected by cyclical factors, it was more likely that fewer employment opportunities in engineering could be explained through a long term decline in heavy engineering and a switch to capital - as opposed to labour - intensive industries. The growth areas within the service sector could almost completely account for the growth in part-time labour, the preserve of older married
women.

The decline in opportunities for work for young people has also been associated with a process of qualification inflation which has resulted in the distribution of unemployment amongst young people being skewed towards the less qualified (see Berg 1970, Dore 1976). The group who had always been at a disadvantage in the labour market were in competition for semi and unskilled work with more highly qualified young people trading down their aspirations in order to get any work at all. Whilst not disputing the validity of this argument it has been shown that vulnerability to unemployment cannot solely be seen in terms of qualification inflation and hence a 'job queue' model, as the use employers make of qualifications may not be consistent with this view. (Ashton and Maguire, 1983) This is, however, refuted by Raffe (1984) who argued that qualifications were a significant factor in determining young peoples' vulnerability to unemployment and could be used informally by employers as a general guide rather than a 'formal' measurement. There is obviously a relationship between lack of qualifications and unemployment but it must be seen as one of a number of variables. It may also be influenced by local labour market conditions.

The perceived causes of youth unemployment and the actual structure of the youth labour market, particularly as regards the level of competition between young and adult workers, is of some relevance for the types of programmes implemented by the state. Current policies have tended to concentrate very much on the supply side of youth labour, virtually ignoring the demand as it has been assumed that the factors behind unemployment are largely cyclical. However, if youth unemployment is the result of longer term structural changes then an increase in economic activity may not necessarily result in greater opportunities for work for young people. Structural changes may have eradicated many occupations formerly entered by young people.
CHAPTER FIVE

CONCEPTUALISING STATE INTERVENTION

The Liberal - Democratic State

Whilst pluralist theories of state intervention were particularly influential in the late 1950's and 1960's, they can be seen as an underlying principle in many current analyses of social policy. This is particularly the case where social policy is analysed in terms of its overt justifications and objectives rather than its delivery and effects. Not surprisingly most research carried out under the auspices of the government, or political system (for example political party research, and policy studies and local government analyses of policy, etc.) has adhered to a view of the state as a democratic - or potentially democratic organisation.

Increasing intervention by the state was regarded as a growth towards democracy and a 'welfare state', although it could be argued that it constitutes a move towards a different level of state intervention. As Cawson argued (1982) theories of the state which rely on a pluralist notion of state representation have difficulty in explaining the failure of state policies or the implementation of particular policies for 'political' purposes or for dominant interest groups. To analyse social policy in terms of the states inability or unwillingness to mediate between different interest groups would undermine the concept of a pluralist state.

Marxist Accounts of State Intervention

Marxists accounts of state intervention are much less ambiguous about whose interests the state represents although the interpretation could vary depending on whether the theoretical starting point was a class or capital theoretical
approach. Allowing some variation in emphasis between accounts, state intervention is seen as a means of attempting to offset contradictions implicit in the capitalist mode of production, maintain the dominance of the ruling class through oppressive state bureaucratic functions and maintain the conditions necessary for the accumulation of profit. There are differences between Marxist accounts of state intervention which depend on how much real autonomy the state is accorded, the actual nature of concessionary policies and the means by which the state rationalises and legitimates its own actions.

Capital-theoretical and class-theoretical accounts lead to different interpretations of policies which are 'concessionary' in nature. Class-theoretical interpretations of the state reduce welfare and concessionary state intervention to illusions geared towards propagating the myth that the state acts in the interests of the majority. This argument is frequently accompanied by evidence suggesting that reforms have left the class structure of society unaltered. (Blackburn and Mann 1979) Capital-theoretical models of the state explain concessionary policies in terms of the need to maintain the social relations of production. In the 'social cohesion' account of state intervention concessionary policies could be seen as concessions - rather than illusions - necessary to maintain social cohesion in the interests of capital.

Marxist analyses, ultimately have difficulty in interpreting policies that have any kind of redistributive effect without recourse to the familiar 'in the long term interests of capital' argument. Increasing intervention by the state is seen as part of a pattern in which contradictions implicit in capital must be dealt with in order to maintain the dominance of the profit motive. As capitalism becomes more threatened by its own structural problems so the state must intervene in order to re-establish the conditions necessary for production.

94
This is particularly apparent, as argued in Chapter Three, in the work of Miliband and state monopoly capital theories of the state. Braverman, (1974) for example, depicted increasing state intervention into the labour market as part of the ruling classes' subversion of the working-class by deskillng their labour and widening the gap between classes through an effective fusion of the state with capital. Likewise, Edwards (1979) pointed to the increasing role of the state in the 'control' of the labour process.

Miliband argued that state intervention was primarily in the interests of the dominant class and that the state was geared towards maintaining capitalism.

"Capitalist enterprise ... depends to an ever greater extent on the bounties and direct support of the state... State intervention in economic life in fact largely means intervention for the purpose of helping capitalist enterprise. In no field has the notion of the 'welfare state' had a more precise and apposite meaning than here: there are no more persistent and successful applicants for public assistance than the proud giants of the private enterprise system." (Miliband;1969,78)

Miliband considered social reform in two ways: ideologically and structurally. First, he regarded the state instrumentally as an institution aligned, though its servants, to the interests of capital and therefore the dominant class. In this respect, state intervention occurred overwhelmingly on the behalf of capital and the 'welfare state' was a means of upholding the capitalist state. However, he also stated that reforms were inadequate, not only (though predominately) because of the ideological alignment of the state, but also because of structural constraints imposed on policy. There was a limit to the reform the state could impose - if it wished to, that occurred because of the economic structure of society. The
state was not only unwilling to bring about social reform or intervene on behalf of the subordinate classes, it was effectively unable to do so.

"For that action .. (reform) .. has to be confined within the structural limits created by the economic system in which it occurs. These are often described as the inevitable limits imposed upon state action by a 'democratic' political system. Much more accurately, they are the limits imposed by property rights and unequal economic power, and which the state readily accepts and depends." (Milliband; 1969,271)

The social cohesion account of state intervention accords the state more real autonomy from the dominant class and avoids an overt tendency to a 'conspiracy thesis' by arguing for the importance of hegemony in state actions. Concessionary policies are not interpreted, as they are in the reductionist model, as illusions of welfare state policies. They are an integral part of the maintenance of hegemony. This, it was emphasised by Gramsci, is a fragile condition. However, concessionary policies are still seen to be in the long term interests of capital and the dominant class as they contribute to the overall maintenance of the social order. It should not, however, be seen as equivalent to Miliband's process of legitimation which entailed indoctrination and overt political coercion. Poulantzas, in his elaboration of hegemony, argued that concessionary policies could not be reduced to illusions and state power to conspiracy. However, the interests of the dominant 'hegemonic' class are represented as being the interests of the majority in such a way that the active consent of the subordinate class is secured. Poulantzas argued that the state had to impose short term sacrifices on the dominant class to secure its long term political goals.

Despite significant differences in the autonomy accorded to
the state and the interpretation of its role, both approaches have certain limitations in the way they perceive the ability of the state to achieve its ends. For Miliband and other state monopoly capital theorists, the inherent problems were seen to be within the capitalist mode of production; the state a natural development of the class struggle. This ignores the role the state may play in managing the crises of capitalism as well as the ability of the state, as an institutional organisation, to achieve the successful repression of the subordinate classes. Miliband reduced concessionary policies to short term sacrifices by the dominant class which have no effect on the distribution of power in society or on inequality. The inherent conservatism of the state was emphasised without elaborating on the barriers to such reform present in the fabric of society that reduced the effect of redistributive policies.

Poulantzas, following on from Gramsci, emphasised the fragility of hegemony. However, he concentrated much more on the political aspects of state and society than on the role the state played in economic reproduction and the limitations of state action in this respect. Though he recognised the structural limitations on state interventions, his concern was not with the state's ability to intervene within the sphere of the economy.

State Intervention and Social Policy

Neither Miliband nor Poulantzas were centrally concerned with the ability of the state to intervene and the effects and limitations of social policy. In contrast, Offe (1975, 1984) focused on the ability of the particular form of late capitalist state - the welfare state - to deal with the problems of capitalism. Offe saw the problems of contemporary capitalism as being the antagonistic relationships between the three systems of late capitalism: socialisation, economic and political systems.
Offe saw the state as being a 'capitalist' state. However, he too stressed the need for state interventions and actions to be seen as being in the general interest of society as a whole,

"... the state can only function as a capitalist state by appealing to symbols and sources of support that conceal its nature as a capitalist state; the existence of a capitalist state presupposes the systematic denial of its nature as a capitalist state." (Offe; 1975, 127)

The problem for Offe was to explain why the present state could no longer be considered to be a viable vehicle for solving the problems of late capitalism and why it seemed to produce more and more policy failures, political conflict and social resistance than it was capable of resolving. Offe argued that the various branches of the welfare state were required to perform functions which would guarantee the process of accumulation whilst not interfering within the realms of capitalism. Three elements of a welfare state were defined as follows:

(1) The state has no authority to order production or to control it. Production is 'free' in the sense that it is exempt from state control.

"The state is no capitalist itself, and accumulation takes place only in private accumulating units. State and accumulation are divorced, so that production and accumulation can not be divorced."

(2) The state has the authority, and mandate to create and sustain conditions of accumulation. This would include (or be equivalent to) establishing control over possible threats.

(3) The power and authority of the state depends upon the
presence and continuity of the accumulation process.

"Thus, every interest the state (...) may have in their own stability and development can only be pursued if it is in accordance with the imperative of maintaining accumulation; this fundamental dependency upon accumulation functions as a selective principle upon state policies ... Accumulation, in other words ... acts as the most powerful constraint criterion, but not necessarily as the determinant of content, of the policy-making process." (Offe; 1975,126)

The process of accumulation occurs through commodification whilst the state is increasingly called upon to play a greater role vis-à-vis the capitalist economy through non-market, or 'decommodified' means in order to attain the preconditions of (commodification) accumulation. This results in a dilemma for the state having to secure both capital accumulation and bourgeois legitimation. The rapid expansion of the non-commodity form undermines both accumulation and legitimation. Whilst the state is subordinated to the process of capitalist accumulation it is simultaneously required to intervene on its behalf,

"... The welfare state must seek to universalize opportunities for the 'free' or unregulated exchange process... In a word, welfare state policies are required to do the impossible: they are forced to reorganize and restrict the mechanisms of capitalist accumulation in order to allow those mechanisms to spontaneously take care of themselves." (Keane; 1984,16)

Offe maintained that the state could no longer solve the problems thrown up by capitalism without generating more and threatening the legitimacy of this social order. There was a contradiction within the accumulation process in that it
could not generate and reproduce the conditions necessary for its continuance. Offe also identified 'subsidiary' contradictions such as the fiscal problem the state had in its expansion effectively impinging on the private sector; planning failures caused by the ability of capital to exercise a veto against policy making, and the problem of mass loyalty and legitimation problems. For Offe, these 'contradictions' were not merely problems that could be solved or managed by the state. Welfare state institutions were both the medium and the outcome of struggles over the distribution of power within the realms of society and the state. (Keane; 1984, 22)

Against this general backdrop, a description of the activities the state adopted in order to limit its own crisis tendencies was developed. This description is valuable to any discussion of policy and its effects. For example (see Jessop; 1982, 110), measures to enhance the saleability of labour power through education, retraining and regional mobility can effectively restrict the formal and substantial freedom of capital and labour and entail fiscal burdens that may discourage investment. Likewise, Offe pointed to an increase in measures which aimed to promote the marketability of capital and manufactured goods through the internationalisation of capital and product markets, research and design investment and so on. This led to the expansion of state organised production which was exempt from the commodity form and which provided the site for political and ideological struggles against market rationality leading to problems of legitimation. Third, attempts by the state to support market-generated and crisis-induced industrial restructuring undermined the market principle.

This analysis questioned theoretical positions which lead one to see state activities and interventions, and their effects, as being unconditionally in the interests of capital. Offe argued that the policies enacted by the state, and the institutions through which they were implemented may
in fact have effects which are counter-productive to the interests both of capital, and the state. This acknowledged the importance of 'unintended consequences' within the realm of policy evaluation. As is argued by Giddens, the results of actions cannot be seen solely in terms of their stated intentions, nor in terms of the perceived or ideological intentions but may themselves produce effects that could not be foreseen or contained (Giddens 1979).

The crisis of administrative rationality, that is, the growth of policy failure and the inability of the state to plan was elaborated with reference to two modes of state activity; allocative and productive. Allocation referred to that mode of activity concerned with creating and maintaining the conditions of accumulation in a purely authoritative way. This involved the allocation of the states resources as laid down by specific rules or codes of conduct. Offe pinpointed three distinctive features of the allocative mode of state activity.

(1) economic conditions under which a suitable environment for accumulation can be created and maintained merely by authoritative allocation of resources and "things" that are already "state property";

(2) the elements of this environment do not have to be produced themselves, but merely have to be allocated; and

(3) political power, or power in and over the state apparatus and its parts is the sole criterion and determinant of allocation. (Offe; 1975,129)

This was contrasted to the productive mode of activity. In order to maintain the accumulation process the state had to do more than allocate resources. Physical input into production was required. Such physical inputs, for example labour, investment or raw materials were normally provided by the market but productive state activity was necessary when
the market did not supply these. The state then emerged as the organisation which ultimately had to provide these inputs, in so doing undermining the viability of the market mechanism.

This type of state activity was seen as being intrinsically different from the allocative means of state activity and involved the state in maintaining the conditions for accumulation in a new way,

"... The state responds to situations in which labour and/or capital fail to operate in the accumulation process by producing material conditions that allow the continuation of accumulation ... Such productive state activity is initiated by the actual or anticipated, sectoral or general absence of accumulation." (Offe; 1975, 132)

This distinction was further elaborated with reference to the content of decision rules. In allocation, the state's decisions were derived from politics. This directive was lacking in productive activities since the state was required to intervene because of a lack of consciousness of the ruling capitals. The state was required to develop a course of action based on 'state generated decision rules' and had to 'produce' education, skills, technological change, control over raw materials, health, and so on.

Since the state had to generate its own decision making and strategies, analyses of the state as a 'problem solver' were seen as one-sided as they failed to take account of the part state organisation played in responding to and even identifying problems. Strategies to deal with specific problems may well have altered the formal procedures and organisation of the state. Conversely, the organisation of the state may have effected its ability to perceive and respond to problems;
"Thus, it is not only true that the emergence of a social problem puts into motion the procedural dynamics of policy formation, program design, and implementation, but also, conversely, the institutionalized formal mode of operation of political institutions determines what potential issues are, how they are defined, what solutions are proposed, and so on." (Offe; 1975, 135)

Offe's discussion of the mode of decision making leads him to conclude that whilst the legal-rational framework of the state might be sufficient to perform allocative functions of the state this bureaucracy is ineffective in the implementation of productive functions. These need new forms of policy formation and implementation. Neither of the other two modes of policy production which Offe considered; purposive-rational or consensus could succeed effectively.

Theories of the State and Policy Analysis

Theories of the state and state interventions have not generally looked at the process of policy formulation and delivery. Accounts of the state have difficulty in dealing with the dynamics of policy implementation, particularly at ground level. On the other hand, analyses of contemporary state policy often assume one particular view of the state. This has led to particular interpretations as to the outcome of social policy and the ability of the state to bring about social change.

The liberal-democratic view of the state is often found in those accounts of policy which are normative in their approach. Assuming the state to be a neutral or mediatory organisation normative policy analysis has concentrated on the qualitative features of a programme. Interest groups are seen to be represented in the stages of policy formation preceding delivery. Policy failures are then interpreted
either as 'valuable lessons in policy delivery' or an indication of the need for greater co-operation between groups and/or an organisational or funding problem. The stated objectives of a particular policy are taken at face value. This leads to a certain amount of difficulty in explaining unintended consequences of social policy. This approach to policy analysis has been criticised by Offe who argued that the majority of sociological studies were concerned with the content of social policy and the prescription of certain criteria to define future state activity:

"... they serve to outline the preliminary formulation of a sociological investigation that may be termed the "Ought - Is" comparison: an image of the deficiencies and omissions of existing practices is drawn, but the political relevance of this evidence of deficits remains doubtful." (Offe; 1984,90)

This view is supported by Cawson (1982) who argued that traditional writings on social policy see the state as a regulator of the market economy responsive to popular needs. This has led to a concentration on particular qualitative features of the content of policy and its impact with no account of structural processes and constraints on policy formation and delivery. In particular the role of interest groups has been emphasised without an acknowledgement that,

"... those interests which are well established in the structure of government itself hardly need an independent pressure group." (Cawson; 1982,34)

Marxist orientated approaches to policy analysis have tended to have a well defined view of the intention and outcome of social and economic policy. Whilst this may not take the objectives of policy at face value it often reinterprets them in terms of its own theoretical framework (see for example
Finn 1987). For perhaps different reasons, Marxist accounts of social and economic policy do not adequately explain the process of policy negotiation and delivery, particularly welfare policies. This not only creates a problem of dealing with policy at ground level, it also explains welfare policies in terms of the interests of the capitalist class. In doing so, the effects of other interest groups on policy is undermined, often reduced to the attempts of a capitalist state to appear neutral whilst simultaneously intervening in a repressive fashion. Cawson argued that neo-marxists,

"...tend to resort to functional explanations which explain the pattern of policy making as a response to the need of capital for a healthy workforce, or as 'concessions' to maintain the dominant position of the dominant class." (Cawson; 1982,13)

In both accounts the state is seen as a unified body and little attempt is made to consider the way in which different state agencies interact. The process of policy formation and delivery is not set within the context of the structure of the state and therefore the constraints which emerge from this are not dealt with. An important part of the process of policy formulation is the identification of needs, as Cawson, like Offe, has argued,

"What such (marxist) 'explanations' cannot do is show the actual mechanisms by which capital's 'needs' are formulated and articulated, and the conditions under which the state may or may not respond to those 'needs'." (Cawson; 1982,13)

Offe argued for an investigation of social policy that looked at the process through which it was 'negotiated' and finally enacted within the context of the structure and organisation of state institutions. This became bound up with his distinction between allocative and productive functions of the state and highlighted the importance of relating policy
back to the organisational structure involved in its formulation and delivery.

The ideas of Offe are taken up by Cawson who outlined a framework for empirical study of social policy. (Cawson 1982) Cawson argued that certain types of policies had to be considered as the result of the bargaining process implicit in the 'corporate state'. The key to understanding the role of the modern state lay in an appreciation of its development from a liberal democratic state which served a free-market economy to a corporate state tied into what is effectively a dual economy. The development of capitalism into monopoly capitalism led to an increased involvement by the state in sustaining the conditions necessary for accumulation. As the monopoly sector developed it came increasingly to exert political pressures on the state for discriminatory economic policies. This led to a dual state and dual economy;

"Overlaid upon and increasingly dominating the competitive market sector of the economy, in which a large number of small firms remained subordinate to the market, was a corporate sector which grew as both a cause and consequence of state intervention." (Cawson; 1982,10)

Cawson described the emergence of a corporate state in line with the growth of large monopolistic organisations which have led to the existence of a dual economy and a decline in the competitive market sector. (1) The new monopolistic organisations had both economic and political power which the state integrated through corporate representation, seen often as tri-partism in decision making. Large corporations and

(1) Corporatism is defined by Cawson as

"... a pattern of articulation between the state and functional interests in civil society which fuses representation and intervention in an interdependent relationship." (Cawson; 1982, 41)
the state had an increasingly interdependent relationship and corporate interests came to have a structural privilege over the competitive sector.

The concept of a corporate state allows the formulation of policy to be seen as an outcome of power relationships which have developed outside the formal democratic processes of the state. Far from seeing power increasingly centralised in state apparatus, its dispersal is seen within large corporate groups. These groups become both formally and informally represented in decision making processes;

"Trade Unions, employers' organisations, professional groups and others have been able to exert a negative veto power which enables them to participate in bargaining over state policies."
(Cawson; 1982,12)

Corporatism has an important effect on any type of policy making which involves corporate interests as it becomes a complex process of bargaining and negotiation between the state, quasi-state institutions or corporate organisations and/or interests. In terms of policy formulation corporatism has a determining effect, not only on the outcome of policy negotiation but on how problems are seen and what types of solutions are considered. Corporate interests set the boundaries within which policy is considered. The


(2) Not all policy issues are seen to be within the corporate arena. Cawson distinguished between policy which may be influenced through the pressure of interest groups and policy which falls within the interests of corporate groups. (Cawson; 1982,43)
outcome of policy formulation is not only a result of external pressures on the state but a product of the internal organisation of the state and the structurally privileged representation of corporate groups. State power and intervention is not reduced to the interests of the dominant class. The power of the state has become fragmented in such a way that economic failures are seen as political ones and economic crises become political ones as the relationship between corporations and the state becomes more interdependent. (Cawson 1982)

It would seem important not only to consider how corporate interests are represented within the policy making process, but also the differential interests of state agencies. A view of the state as a unified body ignores the degree of conflict within the state. Corporate interests may well conflict and be differentially represented within different state institutions. For example, within the Department of Education and Science the views of employers' associations and trade unions do not have as much influence as they may in the Department of Employment and Manpower Services Commission. The compartmentalisation of interests in this way may have an effect on the policy making process, for example through the allocation of resources and the way policy boundaries become defined.

Theories of the state have difficulty in accommodating the actual process of policy implementation. This is primarily because policy is so often considered at a 'national' or abstract level and its implementation assumed. Policy analysis frequently compares the objectives of policy to the outcomes. This frequently ignores the process of delivery. It would then appear that once policy objectives have been formed by the state, their implementation becomes assumed until the objectives are seen to have failed. On the one hand this has been interpreted as an attempt by the state to mystify the 'real' objectives of state intervention whilst on the other it is seen as a problem of funding, defining
criteria and qualitative outcomes. Whilst both may make observations about institutional constraints and the delivery mode this does not form an integral part of the analysis. However, it should be noted that there is no absence of theoretical policy study, nor of 'ground level' evaluation. There is a problem of connecting these different levels of analysis.

In the field of organisational studies however, policy studies have sought explanations for policy failures and implementation in terms of the organisation of public bodies involved in the formulation and implementation of policy. In particular, the analysis of the Comprehensive Employment and Training Act 1973 (CETA) led to a number of American studies of organisational and inter-organisational relations and their impact on policy outputs. (see for example, Van Meter and Van Horn 1975, Radin 1982). As Van Meter and Van Horn point out, the redefinition of objectives is not tackled by these analyses and policy decisions are still seen as static. "Effectiveness" is still measured by defined criteria and such studies are generally normative in their approach.

Where policy implementation has been understood in terms of a model of organisations, the process of implementation becomes a focus. Organisational theory has contributed in this way to the study of policy implementation and as Elmore argued,

"Since virtually all public policies are implemented by large public organizations, knowledge of organizations has become a critical focus of policy analysis... Only by understanding how organizations work can we understand how policies are shaped in the process of implementation." (Elmore;1978,187)

Elmore outlined four basic 'models' of organisation which have been influential in the study of policy implementation. These have certain consequences for explanations of policy
failure. The systems management model sees organisations as rational value maximisers which revolve around goal directed behaviour. Failures are seen as being the result of poorly defined objectives and criteria and lack of accountability. This model presupposes a view of how organisations 'ought' to operate rather than how they actually do.

Sociological studies have emphasised the breakdown of policy objectives through the bureaucratic process. Seeing control within organisations as being fragmented, this model points to the inherent conservatism within bureaucracy. Policy implementation must work its way through the layers of bureaucracy and its effect may be determined by "whether the force of existing routine at each level of the process operates with or against the policy". (Elmore;1978,202) Unlike the systems management view, the bureaucratic process model is not normative in its approach pointing to weaknesses in the bureaucratic process rather than imposing a view of what it should be.

The organisational development model has focussed more on how organisational structure can satisfy individual needs through minimising hierarchical control and maximising co-operative working relationships. This sees the implementation process as being one of consensus building and compromise. This interprets policy failure as a lack of co-operation, consensus and commitment in the decision making process and implementatation of policy, particularly at ground level.

Last, the conflict and bargaining model sees organisations as arenas of conflict with an unstable distribution of power. Formal structure only weakly reflects the exercise of power in organisations. This approach is particularly concerned with inter-organisational bargaining as well as conflict and bargaining within organisational units. Unlike the three previous approaches this model does not explain policy failure in terms of criteria but argues that "success" or "failure" would depend on the goals and objectivies of
different parties.

It is not particularly useful to elaborate any further on the above four models, nor to regard any as more 'correct' than others. As is suggested by Elmore their value should be seen as stressing particular aspects of policy implementation rather than the whole process. In particular, the bureaucratic process model illuminates the redefinition of objectives throughout the process of implementation whilst the conflict - bargaining model emphasises the instability of power relationships and the different objectives of participating organisations.

However, whilst the contribution of organisational theory to policy implementation studies is invaluable, they concentrate on implementation through bureaucratic or organisational procedures. The emphasis is on already existing organisations rather than implementing agents set up 'on the run'. The analysis of state intervention in the labour market is also concerned more broadly with the influential factors on policy implementation. In this context organisational theory neither takes account of factors which influence the process of policy formulation and implementation outside of the organisation, nor the environment into which the policy is launched.

Cawson argued that policy formulation could be understood within the context of corporate decision making. This not only acknowledged the effects that corporate interests have on state policies, it argued that corporate interests have been integrated into the decision making process. Outside of this there may well be interest groups who are not integrated into the decision making process but who attempt to influence it just the same. Moreover, corporate interests may differ, for example say between labour and capital, so the picture painted of the decision making process and policy formulation is a complex one.
If this argument is taken to explain the process of delivery, two main points emerge. First, policy formulation does not stop at any particular point in time. Part of the problem policy evaluation has faced was the identification of policy objectives which appeared to change over the course of time. Policy analysis which fails to take account of the way in which policy objectives are redefined, reinterpreted and transformed ignores a vital part of the negotiation process. This negotiation involves the active participation of corporate groups and other interest groups in the continuing negotiation of policy objectives. This is ultimately linked to the delivery of policy as it is in the actual delivery of policy that the relative power and influence of groups effectively comes into play.

It is important to appreciate the different levels of policy delivery from the drawing up of plans for delivery, guidelines for implementation which may take place at the top of the delivery chain, to those agencies and agents who are actively involved in running or implementing policy programmes. In the allocative functions of the state there may be a simple process between forming policy and implementing it. In the more complex 'productive' functions of the state the various levels of policy implementation feed into each other so a straight 'top-down' approach is too simplistic. Policy implementation and formulation become circulatory.

Corporate and other interest groups may be differentially represented at different levels of policy formulation and policy implementation. It is the ability of different groups to influence policy delivery that makes the analysis of policy objectives more complex. In extreme cases this could explain the fragmentation of policy objectives with different groups negotiating for those policy objectives closest to their own interests. For productive state interventions there are no clearly defined mechanisms for delivery and these often have to be set up as part of the process of
policy delivery. In this instance how policy is implemented becomes as vital a subject for analysis as what the policy content is. This questions the ability of the state to set up and maintain effective delivery mechanisms. Ultimately this must pose the question of how far the state is able to intervene in the economic sphere.
CHAPTER SIX

POLICY ANALYSIS: A FRAMEWORK

The discussion in Chapter Five set out some of the key points to be incorporated into an analysis of the formulation and implementation of policy. This section summarises them into a form which can be used to understand the empirical material. At this stage, the model is set out in a somewhat tentative fashion as an aid to analysis rather than a theory of state intervention and policy formulation and delivery. While this framework is set out in general terms, it has been developed specifically to understand state intervention into the youth labour market.

In explaining the way in which the material has been considered a break has been made between policy formulation and policy delivery. This should be seen only as an analytical tool and as argued earlier no clear distinction can be made between the actual formulation of policy and its delivery. Whilst subsequent chapters deal separately with these issues, they do show the process by which policy is redefined and reformulated.

Few accounts of state intervention into the youth labour market have located this within an analysis of the structure of the labour market. It follows from the above argument, that a determining factor in the outcome of policy implementation would be the structure within which it is located. The way in which the labour market is structured and the relationship between different power groups (for example, capital and labour) will be crucial in determining the outcome of policies which intervene directly in this sphere.

At a national level, those groups holding positions of power within the labour market could form part of the corporate decision making process. But they may continue to have an
effect on the delivery of the policy. Interventions by the state may attempt to alter the organisation of the labour market, for example by changing arrangements for training and recruitment. However, this very structure could pose constraints on the effective delivery and formulation of policy. For example, where policy is capable of being implemented in different forms by groups with conflicting interests the reformulation of policy objectives will continue throughout its delivery. It is likely then that the structure into which policy is implemented will have a critical effect on the outcome of policy. However, within this structure different interest groups will have a continuing effect through the actual process of policy implementation. The argument that labour market factors are a crucial determinant in policy outcomes should not be taken to mean that policy outcomes could be predicted at the outset.

This argument must also be applied to the specific circumstances within the local labour market. The theoretical tendency to generalise at an abstract level has led to the almost total exclusion of the effects of the local environment on the implementation of policy. Those studies which do concentrate on local policy studies have some difficulty in relating them to a wider context. It would appear from the above argument that, if a national more generalised approach ignores the characteristics and effects of the local environment, local studies have tended to treat policy evaluation at the local level as a microcosm of the policy. It is argued here that such a polarity does not exist and the understanding of policy formulation and delivery includes an account at both a national and local level.
Formulation of Policy

Ideally, an account of the formulation of policy by the state should involve a description of the institutional arrangement of the state which incorporates a discussion not only of the pressures upon the state but also the pressures within it. This would appear to involve four inter-relating sets of questions:

1. **Historical development and external pressures**
The socio-economic conditions associated with the need for such policy; external pressure on the state to intervene in the economic (or other) sphere; and the development of state programmes leading up to the policy.

2. **Type of Policy**
Into which sphere is the policy to be introduced; how does this affect the objectives of the policy and does it lead to any internal conflict in the policy? For example, will it undermine other sectors of the political economy and accumulation process?

3. **Institutional Organisation of the State**
Which parts of the state are involved or have an interest in the intervention? What are the internal conflicts and how far is the agent of the state able to achieve the objectives of the policy without other criteria (which it may have little control over) being met?

4. **The Corporate State**
Which groups have an interest in this policy and how (if at all) are they represented in the process of negotiation? What effect does this have on the objectives of the policy?

The set of issues relating to the first of these can be considered in two ways. First, there should be some consideration of the political, social and economic pressures upon the state which have led to the need to intervene. If
at all possible any distinctions between say, economic and political pressures should be made as the state may need to intervene in the economic sphere in quite a different way than might be seen viable from a political stance. External pressures upon the state, particularly those emerging from the complex relationship between capital and labour, may lead to conflicting pressures on the state to intervene. Whilst the state is clearly not a neutral, mediatory body, the need to be seen in this way and maintain legitimate authority will inevitably mean that the state must be seen to act in the general interest. The economic and political pressures upon the state may lead to a need to intervene in order to secure and/or maintain the conditions necessary for the capital process upon which the state itself depends. In this case it is necessary to outline both the political pressures on the state, for example high unemployment amongst youth, and the economic crisis of capitalism, for example the failure of capital to invest in training and the reproduction of the labour force.

On a more specific level, the policies formulated by the state take on a developmental process. An important part of policy formulation is the perceived failure of what has gone before, and the given reasons for this failure. As Offe argued social policy analysis has generally been concerned with the prescription of certain criteria to define future state activity. A description of the historical development of policy is important then because it shapes the formulation of future policy. This effectively contains the negotiation of policy within certain boundaries. The perceived failure of past programmes is, of course, bound up with the more general pressures upon the state to intervene in a particular way.

The second set of questions concerns the type of policy and the sphere into which it intervenes. In terms of the type of policy, it is useful to explain this in terms of Offe's 'allocative' and 'productive' functions of the state. As
shown earlier these have quite different consequences for the
way in which policy is formulated and implemented and the
constraints on the state. This discussion obviously follows
on from the previous description of political and economic
pressures on the state. It becomes necessary then to
identify in which sphere the policy is to take effect. Does
it, for example, intervene directly in the capital process or
restrict itself to the periphery attempting to operate
outside the economic sphere? This becomes vital in a
consideration of the effects this could have on both the
objectives and outcomes of the programme. For example, a
policy designed to intervene in the training of school
leavers could concentrate on setting up training provision
which was independent from industry and commerce. It would
leave the provisions made by employers intact and attempt
only to gain co-operation. Alternatively, it could make
statutory minimum training levels (as in the case of, say,
Industrial Training Boards) and intervene more directly in
the labour market.

More specifically it may be useful to consider how a
particular policy initiative links up with other actions of
the state. For example, in this context how the issue of
youth training compares with current cutbacks in education,
deregularisation of training and abolition of training
boards. This leads to a discussion of whether interventions
by the state are consistent across different - and indeed the
same - spheres, that is education, employment, training,
industrial relations. This would involve a lengthy analysis
and is restricted here to a few more general observations
given the need to concentrate on the presentation of
empirical data.

Offe and Cawson argued that the institutional organisation of
the state would not be sufficient for the efficient
formulation and implementation of 'productive' state
interventions. The third series of questions then looks at
the organisation of that part of the state responsible for
the formulation and enactment of the programme in question. There are two inter-relating themes to this. In the first place, an attempt should be made to show the relationship between that part of the state responsible for developing policy, any other state departments with an interest in this sphere, and the governing body of the state. In the light of the previous discussions it should be possible to show where points of stress and conflict occur within the body of the state itself. This sees the state not as a body unified in thought and action, but as an institutional structure comprising a number of different and often conflicting interests.

The second theme concerns the degree of autonomy and/or control vested in the organisation responsible for the policy. It involves the 'fit' between the policy of particular state departments and the objectives of central government. It also asks how far the objectives of the policy are within the scope of that agent of the state responsible for the intervention. This questions the way in which the institutions of the state are organised into a form where they must rely on the overall objectives of central government to coincide with the objectives of their own departments. In this analysis some autonomy of thought — if not action — has been given to state departments. However, it is argued that given its ability to allocate resources and/or authorise actions of the state's agents control has remained with central government. This has led to a situation whereby the governing body can authorise the implementation of a particular programme which is neither within the scope of the agent responsible for it, nor in harmony with the pursuance of the states other policies, particularly its economic policy.

The fourth part of the framework concerns the representation of corporate groups within the state, and the interests of those not represented formally within the process of negotiation. At this stage, it is the formal representation
of interests that is seen as having an effect on the negotiation of policy. This asks which groups have been co-opted into the decision making process, and which through their exclusion or relegation have been undermined.

The corporate state is one which attempts to bring about a consensus through the co-opting of all interested - and powerful - parties. In terms of the negotiation of policy though this may lead to conflicting objectives being compromised into suitably vague terminology. This leaves the precise definition of intent open to reinterpretation in the process of delivery. However, to ascertain whether this is the case there would need to be some discussion of the consensus for state intervention and whether the policy appeared to match the objectives of this consensus.

These four components provide a set of questions for discussing the formulation of state policy and intervention within a particular sphere. They are not, however, mutually exclusive and subject matter overlaps to some degree between the four sections. However, they are taken up in the subsequent two chapters in an effort to describe the formulation of the Youth Training Scheme as an attempt by the state to intervene in the training and recruitment of young workers.

Delivery of Policy

The ideas developed in the previous discussions have led to a number of points relevant to the analysis of policy delivery. A full picture of the way in which policy is implemented requires a consideration of implementation at both a broad 'national' level, and at a local 'on-the-ground' level. Initially this would seem to imply a two-stage account of policy delivery. In practice there are probably a series of stages from national to local, with regional and local
representatives of national organisations taking an active part in policy implementation throughout. The distinction made between national and local delivery is best seen for analytical purposes only, allowing a discussion of the impact of local conditions and interests to take place within the context of a national policy.

Policy delivery at a national and local level has been considered with reference to two sets of factors; those conditions emerging from the capital-labour relationship, and those institutional factors, including of course, the role and organisation of state and quasi-state organisations. This gives a model comprising 4 segments. The main points which could be useful to a discussion of the intervention of the state in the labour market are summarised within each segment in the diagram overleaf.

The overall concern, as outlined earlier in this chapter, is the way in which both national and local institutional structures and interest groups influence the outcome of policy through the reformulation and reinterpretation of objectives. The conditions into which policy is implemented are likely to have a constraining or facilitating effect on its objectives.

The effects of state institutions and related interest groups are considered at a national and local level although at a local level this is broadened to include the existence of local resources. The importance of the organisation of the state on the formulation of policy was shown in the last section. This continues with the delivery of the policy. In particular it is important to note the means through which the state delivers the policy and the existence, if any, of an appropriate network capable of implementing the policy.
### Diagramatic Illustration of Policy Delivery

<table>
<thead>
<tr>
<th>The State</th>
<th>Capital/Labour</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relationship of State to Capital/Labour</strong></td>
<td></td>
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#### National
- relationship between state agent and central government
- organisation of the state
- centralisation/ decentralisation of control
- representation of interest/corporate groups
- veto power of capital and structural privilege
- organisation and unity of labour
- conditions and structure of the labour market
- position of young people in the labour market

#### Local
- existence and structure of local state agencies
- links between state agencies on ground
- conditions and structure of local labour market
- organisation of local employer groups and labour
- existence of local training resources

<table>
<thead>
<tr>
<th>Links</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>links between levels of the state</td>
<td>national-local labour market</td>
</tr>
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</table>
The overriding questions here concern the appropriateness of current institutional arrangements for the delivery of the policy, the need for new structures and networks and the way in which these are set up, and the effect delivery into existing institutional structures has on the policy.

This can be seen at a national and local level, although the link between these levels will also be crucial in the delivery process. Of interest then will be the existence - or setting up - of institutional structures to co-ordinate and deliver the programme. This includes the extent to which existing state resources are used, for example, training systems, educational provision and advice networks, and the setting up of new means and procedures and their effect on the policy and existing providers. Ultimately, it must question the ability of the state to intervene and the appropriateness of the delivery mechanism.

The specific local context will be important in the local reshaping of policy. This can occur because of differences in the existence and use of local resources and the relative power of local groups to impose their own interests at the point of delivery. In social policy which intervenes in the productive sphere it would be surprising to find no variation in the way local agents of the state have attempted to respond to the problems of delivery and the clarification of criteria. At a local level, those groups not represented within the process of policy formulation may now be in a better position to have an influential effect on the policy objectives.

The effects of state institutions on the delivery of policy cannot be separated from the effect of capital and labour where the policy intervenes - directly or indirectly - in this sphere. Whereas both capital and labour would have been incorporated into the process of policy negotiation, their influence on the actual implementation of policy can have a marked effect on the possibility of achieving objectives.
Whilst representatives of these groups may have achieved a compromise within the negotiation of policy, the agreed objectives can be vetoed in the delivery process. In such a way the interests of capital are, as Offe argued, structurally privileged in the process of negotiation and delivery. The consensus achieved by the agreed policy objectives can then become re-negotiated and the interests of other groups, for example labour, educational interests, undermined. Of importance in this context will be the ability of organised labour to offset the effects of capital on the corruption of policy objectives. For this, the structure of the labour market, and labour market conditions will play an important part as will the effects of other state policies on the power of organised labour to defend its interests. The degree to which labour is fragmented will here be important for weakening the ability of labour groups to respond as a unified group. In the analysis specific to this thesis, the relative position of young workers, and those making the transition from school, will be of relevance.

At a local level, the conditions prevalent will have an effect on the way in which the programme is implemented, perceived and utilised by local employers and users. Where the policy requires certain conditions in order to be 'successful', local variations will obviously determine to some degree 'success' or 'failure'. There may also be variations in terms of local experience of similar, previous programmes which have some bearing on the ability and efficiency with which new measures can be taken up. Also of importance are the links between local employers and employer organisations and agents of the state or locally organised bodies, such as the careers service, job centres, training organisations and local councils.

Theories of state intervention have generally had difficulty in incorporating material from local studies. A study of national policy formulation and delivery allows a more
abstract treatment of policy that cannot account for local variations in the design and implementation of such policy. However, policy which intervenes directly in the process of production also intervenes in the organisation of capital and labour on a local basis. It is likely then to have a differential rather than a blanket effect. Conversely the specific local conditions will, in all probability, have an impact on the policy itself.

The intention of the subsequent chapters is to use this framework to understand the implementation and formulation of the Youth Training Scheme. This is a two-pronged approach. One is to see how far the framework developed helps in an understanding of the way in which this specific programme was formulated and implemented. The other is to use this analysis to clarify some of the issues of state intervention and, in particular, the ability of the state to intervene.
CHAPTER SEVEN

THE DEVELOPMENT OF MSC SPECIAL PROGRAMMES

The Emergence of State Training Provision

Prior to the creation of the Manpower Services Commission in 1973, the involvement of the state in training provision was marginal, operating at the periphery of the labour market. The growth of state intervention in the labour market can be seen alongside increasing concern about the effects of the recession, rising unemployment rates and longer-term structural changes in the industrial base. These combined factors produced a significant pressure upon the state both to alleviate the effects of growing unemployment and to intervene and act as a provider for vocational training.

The increasing role of the state in the provision of occupational and vocational training needs to be located within an historical description of the development of the training system. The creation of the MSC constituted a major turning point in the involvement of the state in training, from the periphery to a more central role. But the state had played a part in the development of the training system throughout the nineteenth century through the growth of the education system and the acceptance of the need to educate the workforce.

(1) The terms 'training system' and 'training arrangements' are used to refer to the complex arrangements which have developed within different industrial and occupational sectors. They do not imply any logical or coherent structure.

(2) For a discussion of the development of the education system in terms of its links with training for work, see Watts (1983) and Finn (1987).
about recent developments and the growth of the MSC is that they constitute a break from the 'education' of workers, to the 'training' of workers. With this change the state began to intervene more in the training arrangements of employers and develop a training role outside that of the education system.(1)

The demand for better training provision was one of a number of reforms put forward by the Trade Union movement in the closing years of the nineteenth century. Training was given its first subsidy by the state in the early 1900's (2) and was one of the recommendations of the Royal Commission of Poor Laws which along with the 1918 Education Act called for secondary education for all up to the age of 15 years. The 1918 Act itself raised the school leaving age to 14 years.

The Ministry of Labour was responsible for providing the first vocational training for industry. In 1917 Institutional factories were set up to provide skilled training for the war disabled. This was later extended to cover people who had been prevented from entering industry at the normal age because of the war. Approximately 45,000 men benefitted from the Scheme, mainly in training for the engineering and related industries. The last of the factories closed down in 1926. More specifically the inter-war years saw the establishment of Juvenile Instruction Centres and the Juvenile Transference Scheme. The JIC's, or 'dole schools' provided short term training for unemployed youth whilst the JTS aimed to move unemployed youth in

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(1) The extent to which the establishment of the MSC undermined the role of the DES is taken up in more detail in Chapter Eight.

(2) This was a subsidy for the training of merchant marines.
depressed areas of the country to more affluent areas. (1) The JIC's and the JTS were criticised by the labour movement which was pushing for better secondary education and the raising of the school leaving age. In particular the Hadow Report of 1926 argued instead for a further raising of the school leaving age and a major reorganisation of secondary education. The Education Act of 1936 provided legislation to raise the school leaving age to 15 years by 1939 although this was ultimately not carried out until after the second world war.

The onset of the second world war saw the expansion of government training centres to train workers for the armaments industry. The subsequent commitment to a policy of full employment and social welfare saw the passing of the 1944 Education Act which raised the school leaving age to 15 years (2) and instigated the reorganisation of the education system with a tri-partite structure. (3) The government also called for the introduction of a National Apprenticeship System and an expansion of the training centres to provide more training for ex-servicemen. Occupational training was still primarily the responsibility of employers. Proposals to provide training for the unemployed and workers in low skill jobs or declining industries were subject to expenditure cutbacks with the result that the training centres declined in numbers concentrating mainly on the provision of training for the disabled.

(1) For a full account of the states response to youth unemployment during the inter-war years, see Rees and Rees (1982) and Finn (1987)

(2) As set out in the 1936 Act this included an exemption clause so that it was possible for young people to leave school at 14 years for 'suitable' employment.

(3) The tri-partite structure was originally proposed by the Hadow Report 1926.
The government encouraged the establishment of a national apprenticeship scheme on a voluntary basis. It comprised representatives from both employers and trade unions who would improve the training provision for apprentices. As early as 1928 the Hilton Report had attempted to bring about changes in the apprenticeship system, particularly in relation to age restrictions and time serving. Similarly the Carr Committee (1956) voiced concern over the standard of training, the ability of small firms to take on apprentices and the problem caused by some firms recruiting 'skilled employees' from other firms. The Crowther Report of 1959 questioned the commitment of employers to the provision of formal training and day-release education.

Increasing concern about the adequacy of training provision for both young people and adults was linked to anxiety about the continuance of economic growth and the effects of likely skill shortages. These concerns led to the 1962 White Paper on Industrial Training and the subsequent 1964 Industrial Training Act. This marked, in principle, an acceptance by the government that industry would not provide adequate training without some form of government intervention and institution. The Act enabled the Ministry of Labour to set up statutory Training Boards and a central training council. By 1971 there were 27 such Training Boards in operation. The ITB's contained representatives from Trade Unions, Employers and Education and were to secure the provision of training within their industry. To do this the Act empowered them to impose a levy on employers and redistribute the funds in relation to the quantity and quality of their training. Though the government provided the ITB's with start-up grants little further funding was anticipated and the ITB grants were provided through the levy fund. In essence the costs of training remained with employers.

The creation of the ITB structure was important in terms of its ability to mobilise resources for training within industrial sectors. However, the levy was not popular,
particularly with small firms. The ITBs could not take account of overall changes in the industrial structure and the CTC was not thought adequate for this purpose. The TUC in particular petitioned for a more central organisation to co-ordinate the activities of ITBs and employers and make greater headway with the provision of a comprehensive training system. The Review of the Industrial Training Act in 1972, led to the Employment and Training Act 1973. This Act established the MSC as a quasi-state institution with responsibility for training, recruitment and the employment of manpower.

The two primary concerns of the MSC were with employment for which the Employment Services Agency was set up, and training, the responsibility of the Training Services Agency. The two agencies, now called the Employment and the Training Division, were to act independently though have final responsibility to the Commission, who themselves were to be answerable to the Secretary of State for Employment.

The Industrial Training Act brought most of the ITB's under the umbrella of the TSA abolishing some and changing the status of the grant levy to grant levy-exemption. This effectively entailed a lower levy income which was supposedly offset by the administrative back-up of the MSC and an increase in grants to stimulate training activities. These were primarily intended to alleviate skill shortages in specific industrial and occupational categories and aid in the training and retraining of adults. The MSC administered funds and training grants to the ITB's in those industrial sectors where they existed and directly to employers or training organisations where they did not. The net effect of the Act on the ITB's was to reduce their overall control over industrial training.

The concern with training is linked to changes in the industrial structure as well as a failure of industry to invest sufficiently in training. The establishment of both
the MSC and the ITB's were seen as measures to improve the response of employers to the training of the labour force. They were, as Lindley points out, more intent on changing the behaviour of firms rather than workers and aimed to counteract skill shortages rather than surpluses,

"Policy was based implicitly on the sovereignty of demand to which supply was to respond more effectively than had been the case in the past."
(Lindley; 1980, 359)

Unemployment and Early MSC Interventions

There can be little doubt that the creation of the MSC was linked to increasing concern about industrial efficiency. However, the sheer growth of the MSC and the direction of MSC programmes has to be seen as a product of high levels of unemployment. This put pressure on the state to intervene both for the purposes of improving training provision and alleviating the effects of unemployment. Whilst these two concerns - and subsequent policies - were initially separate, they soon became entwined as the problem of unemployment became more long-term.

High unemployment brought about by the recession was initially seen as a short-term problem. The effects of the recession and high rates of unemployment did not therefore necessitate long-term or permanent solutions by the state. During the 1960's the rate of unemployment was relatively stable at around 2%. (1) By 1971 this figure had risen to 3% and become a source of some concern though it did not rise rapidly until 1975 when it reached 5.1% representing then over 1 million people (see Appendix One Table 1.1). The

(1) Unless otherwise indicated, all figures given here are taken from the monthly and quarterly statistics published in the Employment Gazette.
explanation that unemployment had been caused by an increase in the working population still held as the total number of employed was rising, having increased from 23.8 million in March 1972 to 24.2 million in December 1975. The growth in effective working population was commonly attributed to an increase in immigration and the increasing number of women entering the labour market. Unemployment could be blamed on the inability of industry to expand sufficiently to accommodate this growth.

Initially, unemployment could also be shown to be predominantly regional. Areas such as the North, North West, Scotland and Northern Ireland had unemployment rates which were substantially above the national average. (see Appendix One Table 1.2) Government measures were concentrated on regional policy, allocating subsidies and grants to firms in key development areas. High unemployment was not seen as a problem facing the whole economy. This was substantiated by evidence of skill shortages in other parts of the country, particularly the South and South East. If anything the problem was seen in terms of the immobility of labour. As unemployment increasingly affected areas which had previously been immune to cyclical effects regional policy was no longer seen as effective and the government had to construct a national response to the problem.

Increasing concern over the rising rates of unemployment was intensified by what appeared to be a long-term decline in the manufacturing sector of industry. This created a significant shift in the balance of employment between the manufacturing and service sectors. The manufacturing sector lost jobs in unskilled and semi-skilled occupations, particularly in heavy engineering whereas the jobs gained in the service sector appeared to open up opportunities for women, particularly in the area of part-time work. (Appendix One Table 1.3) But there was still a great deal of support for the belief that an upturn in the economy would result in a boost to the manufacturing sector. The government, therefore, repeatedly
emphasised the need to regenerate the manufacturing industries. Behind the concern for industrial efficiency was the argument that the current system of training - or rather the lack of any comprehensive coverage - had reinforced this situation and that the remedy would be to invest more in the training of the workforce. This moved towards an acceptance of the need for some form of state intervention into the vocational training system and of the inadequacy of industry to be responsible for its own training. The recession had compounded inadequacies in the training system as employers made cutbacks in their investment in training. Concern about 'future' skill shortages in the event of an upturn in the economy were voiced within all sections of industry, education and government.

The response of the government to increasing levels of unemployment was directed through its newly created MSC. (1) The TSA became involved with setting up projects for the unemployed. The first major unemployment measure launched by the MSC was the Job Creation Programme (JCP) in October 1975. It had an allocated budget of £90m and was clearly seen as a temporary 'counter-cyclical' measure to alleviate some of the worst effects of the recession. The JCP was given until September 1977 to run. In its first year it created 41,000 jobs at a cost to the MSC of £55m. (MSC 1976)

The JCP created jobs which were 'of social value to the community' and was not intended to impinge upon public or private enterprise. The Commission provided grants which covered the wage costs of labour-intensive projects which were run by the local community. About 65% of the projects were run by local authorities. The JCP provided work opportunities for young people between the ages of 16 and 24

(1) As this chapter is concerned with the state's involvement in training and measures for the unemployed, the response to industrial decline by other state departments or agencies has not been dealt with.
years and adults over 50 years of age. These were the groups seen as being most susceptible to the effects of a recession. However, young people were given priority and few adults were actually given places on the schemes. (Markall 1982) Typical JCP places were to be found in environmental or maintenance projects particularly those concerned with urban renewal. Of all young people on the JCP only 23% were female and over the life of the project only 47% of the places were filled by young people between the ages of 16 and 18 years. (MSC May 1977)

Running parallel to measures to offset unemployment were those to contribute training provision and lessen the potential for future skill shortages. The MSC pointed out the need for state intervention in training arrangements where employers were not seen as providing enough or adequate training, particularly for the young.

"Recession acts as a severe brake on employers' recruitment of young people... The result is a shortage of skills when the economy revives." (MSC; Annual Report 1975-76, 23)

The form that this intervention took, however, was in grants given to the ITB's to subsidise the training of apprentices, and an investment in TOP's courses and Skill Centres throughout the country. The TSA saw its work as being primarily to improve on the quantity and quality of training and special measures were considered to be a temporary intervention in order to create jobs for those groups most susceptible to unemployment during the recession. There was in effect a break between measures that were seen to alleviate youth unemployment and measures which were designed to ensure that skill shortages were kept to a minimum.
Youth Unemployment and the Great Debate

The rapid growth of the MSC can be seen in terms of its role in alleviating unemployment as well as the reforms it was intended to make to the training system. The amalgamation of special measures with training programmes is a product of the change in perception of unemployment as a short-term problem to unemployment as a more permanent feature of the economy. The way in which unemployment measures for youth became training programmes designed to aid the transition from school to work can be shown through a consideration of the perceived causes of youth unemployment and the subsequent attack on the education system.

Within the context of high levels of youth unemployment, the JCP was seen as a superficial palliative for the problem. Criticisms centred around the poor training element of the programme and the manual character of most of the jobs. It was also shown that most of the participants merely rejoined the dole queue at the end of their time. (See Markall 1982) The programme was criticised for being a palliative and it was claimed that the JCP,

"... has been adopted for public relations purposes by a government legitimately concerned with the highest levels of youth unemployment since the 30's ... the exercise, at government level, is a cynical piece of window dressing, unlikely to achieve any lasting effects." (Times Educational Supplement, April 2, 1976)

The JCP was intended merely to provide temporary work for the unemployed, mainly the young unqualified. It failed, in political terms, because it was not seen as a constructive alternative to unemployment. That it was prone to such criticism is a reflection of an emerging consensus about the need for some form of comprehensive training for all school leavers. The growing realisation that the recession was more
long-term than anticipated meant that schemes had to be seen as being more than stop-gap job creation programmes, even though they were still envisaged as temporary measures. The development of state intervention into the youth labour market runs parallel to a change from a somewhat optimistic belief in the recovery of the economy and unemployment to a pessimism reflected in the 'permanence' of current programmes.

In terms of sheer numbers youth unemployment reached a crisis point in the mid '70's. Unemployment amongst school leavers has generally been above average compared to unemployment as a whole, especially around September. (see Appendix One Table 1.4) Concern began to grow when the peak rates of youth unemployment not only became much higher but failed to reduce significantly in successive months. By September 1975 youth unemployment had reached about 166,200 and was still at 54,300 at the end of the year, a figure much higher than previous years, for example in March 1971 it was 7,100. There was growing political concern about the plight of the school-leaver group, although the situation for the 16-19 year old age group as a whole was even worse, doubling in the years 1973 to 1976.

But the growth of youth unemployment as a political problem was not only a question of sheer numbers. The young unemployed were a political and moral problem which could not be ignored. The young unemployed were frequently portrayed as the innocent victims of the recession and where employers were blaming high wages and strikes for industrial decline, the school leaver group were not initially held responsible for their plight. It was considered disruptive for young people not to have jobs as they would not learn the essential routine and discipline required of work and were not considered to be psychologically equipped to deal with unemployment. There was a tendency for youth unemployment to be linked - usually without any particular evidence - to delinquency. (See Mungham, 1982) This is shown typically in
the following statement from the Welsh TUC secretary,

"The social consequences, an increase in vandalism, other crime, frustration and migration will be appalling ... one of the most important times in your working life is when you are starting, when you become accustomed to the discipline of work."
(The Times; July 12th, 1975)

and later in May 1976 it was claimed that,

"We now have a lot of youngsters who have not much in the way of qualifications ... roaming the streets without a job and nothing to do. Society will have to pay the price in vandalism and destruction. Youngsters who are short of money will drift into petty pilfering."
(The Times; May 29th, 1976)

There can be little doubt that the young unemployed represented a problem for which the state had to find a solution. It is also important to understand how, in the development of government measures, the blame for youth unemployment became reinterpreted into a problem of youth and their inadequacy for work. (Markall and Gregory 1982, Finn 1982, 1986, 1987). If young people were initially seen as blameless for their plight, as the problem of unemployment worsened, they became labelled as somehow inadequate as potential employees. The young people most affected by unemployment were commonly the least qualified. This led to policy suggestions which concentrated on the characteristics of the young unemployed, and their perceived unsuitability for work. In a report published by the Department of Employment in 1974 the National Youth Employment Council (NYEC) made the following observation,

"... one is forced to the conclusion that at least 70% (...) of the unemployed young people are
unqualified, untrained and likely to obtain jobs below craft level, if they obtain them at all". (DE;1974,11)

The report was concerned with the loss of jobs formerly carried out by young people and concluded that the problem of unemployment amongst young people was not merely cyclical. But having defined the problem as a lack of jobs for young people, the report examined the characteristics of the young unemployed.

"... a large minority of unemployed young people seem to have attitudes which, whatever their cause or justification, are not acceptable to employers and act as a hindrance to young people in securing a job."(DE;1974,29)

Having reinterpreted the cause of youth unemployment, policy was seen in terms of programmes designed to remedy these characteristics.

"It is not simply unqualified, it is the group which has gained least from the education system, and it has the greatest need for continued development when full-time school is over."(DE; 1974,24)

The subsequent change in the value placed upon 'training' must be seen within the context of a wider political debate and mounting pressure on the government to tackle a 'crisis' within the schools. This effectively linked the problem of youth unemployment, predominantly one of demand, to one of supply - the characteristics of the young unemployed. In this context not only did school leavers have unrealistic aspirations but schools themselves were inadequate. The state became concerned with remedying the problems of youth and the inadequacy of their 'education'. The overall effect of this was to shift the blame for unemployment onto the
young themselves, thus lessening the impact of youth unemployment as a politically sensitive problem.

The public outcry about the inadequacy of school leavers for employment is an important factor in any explanation of the state's growing concern with the transition of young people from school to work. The pressure to do something about youth unemployment was at an all time high, particularly mid year when the Institute of Careers Officers claimed that 150,000 young people were due to leave school without jobs.

In a speech at Ruskin College in October 1976, Labour Prime Minister, James Callaghan initiated a debate on the education system with particular emphasis on the relationship between the schools and industry. One of the points made, and subsequently the one receiving the most attention was that the link between schools and industry was inadequate and that schools should not merely aim to produce well adjusted members of society,

"There is no virtue in producing socially well adjusted members of society who are unemployed because they do not have the skills." (Times Educational Supplement, October 22nd, 1976).

Influential industrialists such as Sir Arnold Weinstock, criticised teachers for instilling into pupils 'bad' attitudes towards industry and not teaching 'basic' skills, claiming that the engineering industry could not recruit enough school leavers because of these falling standards.

Likewise, Shirley Williams argued that,

"It seems for many people in education it is somehow demeaning to know anything about industry...I cannot accept that this is right. Schools must learn about how industry works." (The Times, February 2nd, 1977).

The 'Great Debate' gave a political explanation as to why so
many young people were unemployed. In doing so it defined the direction government policy should take, reinforcing the policy implications of the NYEC report.

Alongside the arguments of youth inadequacy, however, was that of a wastage of talent and the belief that youth unemployment represented a loss of human resources and potential. This view was strongly held by the MSC who had, from the outset been concerned with the low provision of training facilities, both to young and adult workers. The MSC were therefore willing to capitalise on any situation which would result in an improvement in what they argued was a poor provision for skill training. High unemployment amongst the 16-19 year old age group was not only an economic problem but also a political one. The Great Debate linked the high youth unemployment rate to the perceived inadequacy of the schools to prepare young people for work. In doing so it not only brought about - on the surface at least - a consensus on the need for the state to provide better training for school leavers, it also successfully translated a political and economic problem into an administrative one. The problem became that of dealing with the inadequacy of young people for work, and setting up programmes and measures to tackle this. This shifted the emphasis away from the real cause of youth unemployment, which was the insufficient number of jobs, and the failure of industry to invest in training.

The MSC's Response: From JCP to YOP

The change in the MSC's role from providing temporary work for the young unemployed to providing them with training programmes started with the introduction of the Work Experience Programme (WEP). WEP was launched in September 1976 and offered 'work experience' placements to unemployed young people between the ages of 16 and 19 years. This was run alongside employment subsidies designed to encourage
employers to recruit unemployed youth; first the Subsidy for School Leavers (SSL) and then the Youth Employment Subsidy (YES).

Within the context of the Great Debate, an MSC working party looked into the problem of youth unemployment and produced the document 'Young People and Work'. The Holland Report published in May 1977, attempted to outline the main causes of youth unemployment. It put forward a range of opportunities which would serve as a comprehensive but short term means of alleviating the worst effects of youth unemployment. Youth unemployment, then over 800,000 for the 16-18 year old age group, was seen as damaging both to the young people themselves and in the longer term to the economy. The cause of youth unemployment was seen to be the recession which it was noted had created a situation where an increase in competition for available jobs had adversely affected young people, particularly those with few or no qualifications. This reaffirmed the earlier assertions of the NYEC report.

"If young people with good qualifications and of high ability, who would formerly have entered skilled jobs, begin to go into less skilled employment then those with poorer qualifications will encounter more pressure in the job market."(MSC; 1977,23)

At the same time, however, the MSC, absolved them of any blame,

"Unemployed young people are not different from other young people except in the narrowest sense and in the shortest term...Success or failure in getting a job is often a matter of luck and frequently determined by factors well beyond the achievement of the individual."(MSC; May 1977,33)
In a survey carried out by the MSC, about half the employers interviewed believed that the calibre of young people had deteriorated in terms of their motivation and basic education. Further, they maintained that young people were in competition with adult workers for jobs, increasingly so since so many jobs traditionally performed by young people were disappearing. The least qualified were in competition not only with their more qualified peers, but young people as a whole were unfavourably in competition for jobs with adult workers. They were seen to be less reliable, less motivated and inexperienced. In what was essentially an employers' market they were therefore more prone to unemployment.

The MSC also concerned itself with what was seen as a major change in the occupational structure of the labour market which was affecting the demand for unskilled and unqualified labour. This was occurring in conjunction with a downward trend in the demand for apprentices. However, they also claimed that new technology and organisational changes had led to an increase in the demand for technicians and labour above craft level. This was occurring alongside an overall rise in demand for workers in the service sector particularly in part-time work.

The proposals of the Holland Report led to the Youth Opportunity Programme (YOP). This entailed the launching of a package of opportunities as an attempt to remedy a situation in which 1 in 4 school leavers left school without a job. It was designed to cater for the less able, the group seen by the MSC to be the most vulnerable to unemployment, particularly during a recession. Whilst essentially aiming to relieve youth unemployment and not to cure it, it attempted to provide a means whereby the most disadvantaged young people could make themselves more competitive in the job market.

At this point separate measures were taken to ensure that skill training remained at a reasonable level during the
recession, through MSC funding to the ITB's direct grants to employers and the funding of training courses and skill centres. There was still therefore a clear division between skill training for industry and the types of opportunities offered under the provision of YOP. YOP was to run concurrently with the Unified Vocational Preparation Scheme (UVP) being run by unions and ITBs for young people in employment.

The proposals of the Holland Report were obviously affected by the types of criticisms being made of schools and young people, as well as the need to implement and then expand the programme rapidly. Whereas the MSC may not have claimed YOP to be a cure for youth unemployment, it was put forward by the government as a major step in this direction, mainly because of the rationale behind the launching of the programme. If the young were unemployed because they were ill-equipped and inadequately prepared for work, a programme which claimed to remedy this would be attempting to remedy their jobless status. The fact that the MSC made more modest claims for the programme is somewhat offset by this political stance and their own method of evaluating the effectiveness of the programme by the placement rate of graduate trainees. (1)

The programme itself was a mixture of previous schemes such as WEP (renamed WEEP), community industry (CI) and community service (CS). New elements were to be project based work experience (PBWE), training workshops (TW) and shorter college based courses. Unlike JCP and WEP, the range of opportunities offered was not only intended to give an opportunity for work experience, but also to prepare the participants for work, giving them both job related experience and broader training in social and life skills.

The concept of vocational education was incorporated into YOP in an attempt to deal constructively with the perceived inadequacy of the education given to young people in the schools.

The YOP was intended to cost £800 million over a 5 year period. The training and work programmes funded by YOP could not possibly create jobs for school leavers and at best YOP could only have a redistributive effect on existing employment opportunities. In short, real work was considered to be preferable to a place on the YOP which was an alternative to unemployment not employment.

"... the ideal situation is one in which a young person gets a satisfactory job and does not enter a programme at all." (MSC; May 1977,43)

The temporary nature of the programme was therefore explicit,

"... The programme must be so designed and managed that it can be expanded from one year to another as the employment situation for young people changes." (MSC; May 1977,34)

YOP was launched in 1978 at an initial cost of £168m a year. In its first year of operation it provided places for 162,000 unemployed young people; by 1981-2 this had increased to 550,000. The majority of places were WEEP, 64% in 1979-80 with work experience-type places accounting for 84% of total provision. By 1981 the proportion of places which were WEEP alone had grown to 84%. At the same time, despite the initial 'success' of the scheme in placing young people in jobs, the placement rate dropped to about 30% by 1981. (See Appendix One Table 1.5)

Unemployment rose from 5.8% in 1978 when YOP was first launched to 9.1% in 1980. The number of unemployed young people between 16 and 19 years of age rose from 274,900 to
over 440,000. YOP, by then a major programme for the young unemployed had to expand from its original 230,000 places a year to 550,000 in 1981-2. The Conservative government made a 'promise' that every unemployed school leaver would be offered a place on YOP, stretching the resources of the programme with the result that older unemployed youth were squeezed out from the provision and the 18 year old age group became virtually excluded from government measures for the young unemployed. With the programme taking in so many of the unemployed it ceased to function effectively as a redistributive employment measure, and in terms of its own criteria was judged to have failed.

The training element within YOP was considered to be an important part of the programme although it was not so much based on 'skills' as on broad based social and life skills. All YOP trainees on work experience were eligible for day release to college and some of the schemes offered training in job-related skills on top of this. However, the training content in many of the WEEP placements was marginal and as these constituted the majority of places within YOP, overall its contribution to improving the training of young people was low. The value of YOP was seen in terms of the opportunity it gave to young people to gain experience of work. This left the scheme open to criticisms centering around the misuse of YOP by employers. This coupled with the poor training content of YOP discredited the programme.

The development of the YOP also led to other criticisms being levelled at it. As youth unemployment grew, so the composition of it changed and the young unemployed were no longer those without qualifications. Even at the beginning of the programme there had been constant criticism that YOP was not giving priority to the least able. Now with increasing numbers of able young people unemployed its ability to help the least able to compete effectively in the labour market became non-existent. Furthermore, certain parts of the programme, especially WEEP, started to cater for
the more able and others such as TW and CS for the less able. YOP became hierarchically stratified in a way which actually disadvantaged the less able.

As YOP came under more criticism so its justification began to shift. This shifting rationale was a continuation of the arguments voiced in the Great Debate and justified the proposal that the state should launch a programme which would aid the transition of school leavers to work and ensure all young people received 'proper' training. YOP was built upon an ideology which centred around vocationalism and to maintain any credibility this part of special measures was reinforced. As the placement rates continued to fall, more or less in line with a growth in youth unemployment so the rationale for a post school training year became strengthened. The more the problem of unemployment grew, the less likely it was to be mentioned as the reason for state intervention. (1) The youth lobby, who had been calling for 'better post-school training provision' came to the fore as the government began to repeat the same claims. In particular, the MacFarlane Report reviewed the provision of education for the 16-19 year old age group and drew attention to the inadequacy of the curriculum for a substantial proportion of school leavers. This was emphasised by the MSC who argued,

"The secondary school curriculum provides general, not vocational education ... Thus for the substantial proportion of young people who leave school with no formal qualifications there is a gulf between the world of school and the world of work."(MSC; July 1980,23)

(1) This assertion is based on a survey of statements made by the government and MSC in The Times, Times Educational Supplement and government and MSC documents.
A strong argument began to emerge for a programme which could be more than a temporary unemployment measure and - as a convenient by-product - whose objectives would not be grounded in the redistribution of employment opportunities. The rationale behind YOP was turned on its head,

"There may have been some in 1978 who regarded the Youth Opportunities Programme as a short term exercise, but it has become apparent that it is not. What is in fact emerging is that the Youth Opportunities Programme is the development stage of a broader provision for education and training for young people, including those who hitherto have mostly severed their association with the education service at 16." (MSC; May 1981,1)

The same inadequacy of young people and the schools that emerged out of the Great Debate was drawn upon to justify the existence of a work preparation programme, even though it no longer led to work. In fact by emphasising the need for such a training programme many of the criticisms of YOP could be accepted by both the government and the MSC as they effectively strengthened the argument for a 'new' type of programme. The public and political rationale behind the programme could be shifted to the argument that all young people needed a period of pre-work training and experience. The MSC may have aimed for some kind of comprehensive training programme for school leavers, along with others. Conditions of rising unemployment and concern about the potential destructiveness of unemployed youth, as evidenced in the 1980 Bristol Riots and the riots of summer 1981, supported the basis for turning what was essentially a short-term unemployment measure into a more comprehensive plan to provide vocational training for all school leavers. The events of the early 1980's effectively brought an MSC objective into line with a political expedient, and the New Training Initiative was proposed as a radical reform of the training provision for both young people and adults.
CHAPTER EIGHT

THE YOUTH TRAINING SCHEME : A NEW TRAINING INITIATIVE

The creation of the YTS

The emergence of the YTS can be seen in the context of still rising youth unemployment. In 1981 youth unemployment was about 19% for those young people between the ages of 16 and 18 years. (MSC 1980/81) In some parts of the country this figure was even higher, particularly in the North and North East where YOP had become the normal post-school experience for minimum age school leavers. Long-term unemployment amongst the young was a growing problem in some areas and was seen to be the cause of an increase in vandalism and crime amongst the young.

At the same time, the recession, a decline in the manufacturing base and pressure on British goods and services from foreign markets had brought the training arrangements of British industry to the fore. Training was seen to be the crucial difference between the economic prosperity of other European countries and Great Britain (MSC 1980). In this light, criticisms of YOP concentrated on the poor training content of the programme as well as its falling placement rate. The answer to both the unemployment problem and perceived failure of British industry lay in the provision of adequate training of the workforce.

The Review of the Employment and Training Act (MSC 1980) argued that ETA had not secured any radical reform in training arrangements. This built upon the arguments outlined in 'Towards a Comprehensive Manpower Policy' (MSC October 1976) and was taken up in later MSC reports which stressed the need for a broader training system for both adults and young people. (MSC May 1981, December 1981) The arguments contained within the Review of ETA set the scene for the government white paper, 'A New Training Initiative :
A programme for action', and the demise of all but a handful of the ITB's. (DE 1981)(1)

The 'New Training Initiative'(MSC May 1981, December 1981, April 1982) indicated a significant shift towards the need to provide better training. It also brought together training and special measures by funding the majority of its training programmes for the unemployed, particularly for young people. It coincided with the merging of TSD with SPD to make one division responsible for training, the 'Training Division' (TD), an indication of the administrative merging of training and unemployment measures. The rationale behind the NTI as outlined by the MSC, was based upon the following observations: (MSC May 1981)

(1) The number of unskilled and semi-skilled jobs are declining rapidly and will continue to do so. This is also the case for blue collar and traditional craft jobs which are being replaced by a demand for technicians and technologists. Employment within the manufacturing sector is being replaced by jobs within the service sector.

(2) The future of economic growth and competitiveness depends partly on the ability to respond to industrial and technological change. The nature of work is changing and the future workforce need to be more highly skilled, better educated and able to perform a range of tasks.

(3) Employers are having difficulty in coping with these changes and the ability to take advantage of an upturn in the economy will be restricted by the resulting skill shortages, especially in the area of new technology.

The NTI was put forward as a series of measures which would improve both the quality and quantity of training for young

(1) For an account of RETA see Richardson and Stringer (1981).
people and adults, although young people were prioritised. It was seen as an initiative which would make a 'central contribution to economic survival, recovery and growth'. The consultative document (MSC May 1981) proposed three objectives for the development of training:

(i) to develop skill training including apprenticeship in such a way as to enable young people entering at different ages and with different educational attainments to acquire agreed standards of skill appropriate to the jobs available and to provide them with a basis for progression through further learning;

(ii) to move towards a position where all young people under the age of 18 have the opportunity either of continuing in full-time education or of entering a period of planned work experience combined with work related training and education;

(iii) to open up widespread opportunities for adults, whether employed, unemployed or returning to work, to acquire, increase or update their skills and knowledge during the course of their working lives.

The White Paper (DE 1981) published at the same time as the MSC's consultative document proposed a plan which centred around the creation of a new youth training scheme. It differed in some key respects from the principles embodied in the New Training Initiative, for example, level of training allowance, target group, initially the unemployed, and an element of compulsion to join the scheme through the withdrawal of benefit. The Youth Task Group report (April 1982) outlined an alternative to this which stayed within the specified budget limit of £1 billion and guaranteed a place to all unemployed school leavers. The outlined scheme, launched as the Youth Training Scheme (YTS) contained an
element of compromise between a comprehensive system of training for all young people leaving school and a training scheme for the unemployed. The MSC saw it as a first step in the direction of developing a comprehensive training system.

The proposals outlined in the Youth Task Group Report and approved by the Government, formed the basis for the YTS (see Appendix One Table 1.6) in its first year of operation. It was intended to give a broad-based, 12 month course of "high quality" vocational preparation and training. The emphasis was placed on broad rather than specific training. An integral part of the rationale behind the scheme was that it would be possible to 'build upon' it in later years. The main components of the YTS were a basic minimum of three months off-the-job training and a nine month period of planned work experience. All training schemes were to offer an induction period where the trainee could be assessed in order to ascertain a suitable programme of training. Under the Task Group proposals, the trainee allowance was to be £25 per week and would cover unemployed and some employed school-leavers. The Task Group recommended that there should be no element of compulsion in the programme. In theory, the training programmes were designed to fall into one or more of 11 'Occupational Training Families' (OTFs) defined by the MSC. (see Chapter Eleven) These OTF's were meant to reflect a range of skills that would be transferable across jobs within familial groups. By giving training within these OTF's, industrial, occupational and job specific training would be superseded.

The YTS was to be delivered through a number of sponsors and managing agents, and was organised in the first year of operation into two Modes: A and B. Under Mode A a managing agent would be responsible for providing a complete programme, though this could entail buying in some components. Mode B was sub-divided into two forms: Mode B1 involved the MSC arranging a complete programme, such as the training workshops and enhanced community schemes developed
under YOP, Mode B2 were those schemes for which the MSC could sub-contract all or some of the components, for example, some of the college based schemes. The funding of a scheme in the first year was to depend on the mode of operation with Mode A receiving £1,850 per trainee plus a £100 'managing agent' fee per trainee. From this they would be expected to pay the trainee allowance as well as the costs involved in the administration of the scheme and the training. Under Mode B the MSC funded the programme completely or paid for agreed components within a scheme. It was estimated that Mode B places cost approximately £3,500 per trainee, nearly three times as much as Mode A places. (1) Despite claims that YTS should be non-hierarchical, Mode B schemes were aimed at the more disadvantaged young person. Many such schemes were to be taken over from YOP, such as the training workshops and community schemes, whereas the model for Mode A placements was along the lines of enhanced WEEP places.

The majority of places were to be under Mode A provision which it was intended, should be run mainly by employers ensuring the scheme was 'employer-led'. The YTS was seen as a more permanent programme than YOP and in principle marked a significant development in the training arrangements of school leavers. Guidelines were laid down for the training content of the programme and a better system of monitoring through local manpower boards was intended to ensure the quality of the scheme. The YTS was intended to be delivered with an emphasis on local management and the Task Group recognised the need for

"...a devolved and decentralised programme which secures commitment from all interests and enables the resources of each local community to be

(1) Mode B was subsequently phased out and replaced with 'premium places', which carried a larger training allowance per trainee than a regular place.
The delivery system was intended to produce a large degree of local involvement, commitment and autonomy. Sponsors and managing agents would be drawn primarily from the locality and their schemes subject to the approval of a 'Local Board'. At a national level there would be a supervisory board to coordinate local schemes and ensure the maintenance of standards. However, the powers of the Local Board were to be sufficient to ensure that the eventual schemes would meet the needs of the particular locality.

Local involvement in the scheme was seen as desirable if not vital. Whilst the training was intended as broad based vocational preparation, if it was to maintain credibility with both employers and trainees it had to be relevant to local needs and opportunities. The arrangement whereby employers acted as managing agents or sponsors was meant to ensure this and the scheme was to be 'employer-led' in this way. In practice, therefore, the scheme relied heavily on effective local delivery and autonomy.

The proposed training scheme was a programme of training and work experience intended to ensure that every young person leaving school at 16 without a job would be given the opportunity to receive a years training in basic skills and be given a chance to gain some work experience. In so doing, it dealt specifically with the contention that there needed to be some kind of bridge for youth between school and work, that too many school leavers left school with few or no qualifications, were ill-equipped to cope with the world of work and entered jobs that gave them no opportunity to obtain training or skills. The proposals contained in the Task Group Report were not put forward as a cure for youth unemployment. The scope of the proposed YTS was to be much broader than the stop-gap measure of the YOP.

"This report is about providing a permanent bridge
between school and work. It is not about youth unemployment. What we propose will improve the prospects of young people to get and keep jobs but we have not been concerned with temporary measures." (MSC; April 1982, 1.1)

Instead, emphasis was placed on the provision of better training facilities so that individuals could train and retrain and update their skills. In this way the money invested in training would be repaid by economic growth,

"The Scheme we propose will make a central contribution to economic survival, recovery and growth. Our aim is to provide for what the economy needs, and what the employers want - a better equipped, better qualified, better educated and better motivated workforce. And it is to provide for young people what they themselves so actively seek - greater opportunities to equip themselves to make their way in the increasingly competitive and uncertain world of the 1980's." (MSC; April 1982, 1.3)

The proposed intervention by the state into the training arrangements of young people can be seen as a response to political pressure as well as a need to remedy what was seen to be an inadequate system of training for school-leavers. In this sense, the form and content of the scheme bring it within the realms of productive intervention by the state. The YTS was based upon a series of institutional and administrative demands for which there were no clear guidelines or structures. The reasons for the intervention are a mixture of political demands and economic policy which do not necessarily combine to form a set of non-conflicting objectives. On the political front, the aim was clearly to devise an unemployment measure which would remedy the effects of rising youth unemployment. The proposed scheme had to be aimed primarily at the young unemployed. Whilst this was not
completely incompatible with training objectives it did shift the priority of the scheme. At the same time, inadequacies and cutbacks in employers' training was seen as a prime cause of the prolonged recession and poor competitiveness in overseas markets. There was a 'need' for the state to intervene in order to compensate for the inadequacies of employers. The justifications for the YTS revolve around the 'need' to develop a more comprehensive approach to the training of manpower.

However, the form the NTI, and in this case, YTS, took relied on the setting up of an administrative and delivery network which was at that time only partly formed. The proposals in the Task Group Report concentrated on certain principles to be embodied in the scheme such as 'local management' and 'employer-led' rather than outlining strict guidelines for its delivery. The nature of the scheme, that it should be locally responsive and use local knowledge and resources actually detracted from the viability of imposing national guidelines. As can be seen in Chapter Nine the two frequently conflict.

The YTS was intended to build upon existing training provision and previous schemes. It was to be flexible and linked to the needs of both employers and young people. The proposal particularly emphasised the need for young people to be assessed and for the scheme to be linked to local opportunities and labour market structure. There was, however, no analysis as to how far these aims were compatible. Neither was there comment on what an 'employer-led' scheme would look like given the concern over the adequacy of employer training up to that point. In effect, it is unclear from the proposal what the delivery system would look like and on what guidelines it would operate. As Offe argued, productive functions of the state often occur in spheres where rigid administrative procedures are inappropriate. Yet there was certainly a problem of delivering the scheme given the absence of a suitable
established network. This had some effect on the actual implementation of the scheme and allowed a certain amount of renegotiation to take place on the spot. (see Chapter Nine)

The proposal raises also the question as to whether the YTS as part of the NTI represented a major attempt by the state to intervene in the training arrangements of young people. (see Chapter Eleven) In the context of this discussion it seems relevant, however, to comment on the sphere the YTS was intended to operate within. There must be some doubt as to whether it represents a major intervention by the state in terms of setting up a state regularised training network. The proposed scheme and other components of the NTI should be seen alongside the abolition of 16 of the 22 ITB's with a weakening of statutory control over those remaining. (See Fairley 1982a) The abolition of the ITB's was seen as part of an overall strategy to let employers set up their own training systems. This can be seen in conjunction with the proposal that the YTS should be 'employer-led', an attempt to make training more voluntaristic by giving control and incentives back to employers. This runs parallel to a shift in emphasis from educational priorities to those of 'training'.

At the stage of policy formulation it was unclear how far the YTS could contribute to the setting up of a comprehensive training system. Though its objectives were formally in line with a greater role by the state in training arrangements, the delivery network in principle was to be deregularised and seemed to rely on the remnants of the very network and provision thought to be inadequate. In terms of training this brings into question the basis upon which the YTS was built. That is, whether it represented a need by the state to provide the future labour supply for capital given the perceived inadequacy of their own systems of training and the failure of the schools to provide young people of 'the right calibre'. There can be little doubt as to the need for such a scheme from the point of view of the maintenance of social
control. As an unemployment measure the need for such provision can more easily be seen. (This is elaborated in Chapter Eleven) However, this does not necessarily require the intervention of the state into the economic and industrial sphere and previously unemployment measures were deliberately located outside or at the margins of production. Whilst in principle the NTI would appear to acknowledge an acceptance by the state of a greater involvement in training, it is unclear whether this is embodied in the full range of policies. In practice it appears to be more concerned with an attempt to shift control over resources. This is taken up in the next two sections.

The MSC : The State's Training Agency

The establishment of the MSC by the Education and Training Act (1973) marked an acknowledgement by the state of the need for a state training agency which could cut across industrial barriers and develop a more comprehensive approach to vocational training. The ETA established the MSC as a quasi-state institution with responsibility for the training, recruitment and employment of manpower. The MSC was a Commission of 10 members responsible for the running of the MSC's agencies and answerable to the Secretary of State for Employment. The Commission was given control of the ITB's by the ETA and the ITB's statutory grant-levy power was reduced by the Act to that of levy-exemption, offset by funds administered by the MSC. The ETA was seen as an affirmation of the importance of vocational training.

The MSC was given 5 broad objectives:

(1) To contribute to the efforts to raise employment and reduce unemployment,

(2) To assist manpower resources to be developed and contribute fully to economic well being,
(3) To help secure for each worker the opportunities and services he or she needs in order to lead a satisfying working life,

(4) To improve the quality of decisions affecting manpower, and

(5) To improve the effectiveness and efficiency of the Commission.

Initially, the Commission's work was carried out by its two agencies, the Employment Services Agency, responsible for employment matters, and the Training Services Agency, concerned with training provision and special measures. Following a management review during 1977, these were changed from being separate agencies to executive arms of the Commission. They were renamed the Employment Services Division and the Training Services Division. At the same time, coinciding with the launching of the YOP a separate division, Special Programmes Division, was created to administer the fast growing special measures. This was amalgamated with TSD in 1982 to form a 'Training Division'. Two support units, Manpower Intelligence and Planning Division and Corporate Services Division were also set up. A restructuring gave Wales and Scotland their own Commissions to allow the organisation to be more responsive to local needs.

The increase in government concern and funding for training runs parallel to the severity - and longevity - of the recession, and rising unemployment. The MSC started out as a reasonably small scale public authority with a budget of £125.4m in 1974-5. It grew rapidly in accordance with the need to expand special measures, particularly for the young unemployed. The budget for 1984-5 was £2,072m, a substantial proportion of the TD's budget being allocated towards the running of the Youth Training Scheme. (see Appendix One, 158
The work of TD is carried out by a number of regional and locally based offices, under the central direction of MSC headquarters. This is overseen at the top of the hierarchy by the Commission, but at ground level by a series of regional area manpower boards and local TD offices. The management structure of the MSC is based on a corporatism of interest groups with boards having responsibility for the MSC's functions and policy. However, matters of policy and central administration have remained centralised within national headquarters and the operations of the MSC are organised on a top-down hierarchical basis. This means that overall policy is set by national mechanisms and implemented by local delivery systems according to agreed guidelines. In-built into many of the special programmes has been a certain amount of 'flexibility' supposed to ensure that MSC special measures meet 'local needs'.

The structure and organisation of the MSC has been subject to a number of changes and rationalisations. In particular the MSC has been affected by overall cuts in public spending which have proportionately reduced the numbers directly employed by the MSC as civil servants. However, the overall budget of the MSC has risen dramatically with the result that internal systems of monitoring have been put under some pressure as the extent of MSC special and training programmes has increased.

This has shown part of the MSC's role as a broker and commissioner for funds. MSC traditionally administers and has overall control of projects run by different organisations. For example, it was responsible for the allocation of grants for training and manpower analysis to the ITB's; it commissioned and funded programmes and schemes under YOP, CEP and CP which were run by independent projects, LEAs and others. In addition, the MSC has funded posts within other organisations, in particular LEA's and the
careers service. The structure of the MSC is organised on a
traditional hierarchical model for the purposes of
administration of its work. However, the work of the MSC
occurs outside this structure often in independent
organisations, LEA's, training organisations, employing
establishments and so on. A large part of the workload of
MSC offices is the monitoring of its programmes and
establishment of new programmes and policy. It is also
responsible for the collection of manpower and other data.

If the MSC is organised for administrative purposes along
bureaucratic civil service lines, its actual work is carried
out outside this structure, either in existing institutions
or in projects funded and set up specifically for this
purpose. Whilst these organisations have a certain amount of
autonomy, they are ultimately dependent on the MSC for their
continuing existence. This means that the organisation of
the MSC is geared to making fast changes and developing new
initiatives without, in theory, internal organisational
difficulties. This allows the basis of continued support from
the MSC to hinge on the adoption of MSC objectives and
guidelines and has resulted in a system which transcends more
traditional and permanent systems of delivery which may be
less adaptable to change.

The changes the MSC attempts to bring about within existing
organisations are made by funding projects, professional
posts and programmes in line with their objectives. These
frequently have a short life and are excluded from the
permanent structure of the MSC. Arguably this also allows
the MSC to have a more far reaching effect by buying-in
components of existing organisations whilst retaining control
over objectives and operation. However, while this is
intended to provide a more flexible organisational structure
it also has problems of instability, accountability and
conflict of interest. The MSC has to date attempted to fund
short life, or at best semi-permanent programmes and this
results in a certain amount of instability and makes long
lasting change difficult to achieve. This mode of operation frequently causes problems in securing professional commitment to short-term projects, particularly when changes which appear to be administrative can alter the fundamental basis of a programme.(1)

The problem of accountability has meant that MSC officers (and in youth schemes the careers service) have had certain difficulties in monitoring the various programmes. It has also subjected non-bureaucratic often ad-hoc organisations to bureaucratic procedures and a certain amount of conflict has been present over the administrative procedures of the MSC. There also exists in some instances a degree of conflict of interest between the MSC and its agents. It is questionable whether the monitoring and financial underpinning carried out by the MSC is an effective means of ensuring its objectives are carried out without attempts by providers to reinterpret the objectives of the programme. (See next section) The question as to how policy decisions become translated into policy guidelines workable at the local level remains. It is also unclear whether the policy-making process allows for feedback from projects at the ground level given their institutional exclusion from the structure of the MSC.

It would seem that the characteristic feature of the MSC is not so much its own organisation but its relationship to, and ability to tap into, established organisations and systems. It is this feature which has enabled MSC programmes to be located within established organisations but remain under the administrative control of the MSC. An important part of this is the relationship between the Department of Education and

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(1) In particular adult unemployment programmes such as STEP, CEP and CP have suffered from changes in rationale, administration, criteria for entry and form. Lately changes in the mode and management of YTS have affected some elements of the programme.
Science (DES) and the MSC. The rise of the MSC runs parallel to the decline of the DES's and Local Education Authorities' (LEAs) monopoly over educational interests. Increases in funding to the MSC have occurred in conjunction with cutbacks in the education sector. This, it has been argued, is indicative of a change in values away from an educational ideal towards 'vocationalism'. (Simon 1982, Cohen 1984, St John Brooks 1985)

The undermining of educational values was brought to a head by the Great Debate and the subsequent prioritising of the 16-19 year-old age group. Reform was to take place outside the education system and no additional government money was allocated directly to the LEAs or the DES in order to bring about change. The recommendations and policies which actually affected the schools were vague and piecemeal, for example, to 'liaise with industry' and to include industry 'in the curriculum'. The most notable reform at that time was the Schools Council Industry Project and the introduction of work experience for a number of pupils in the last year of school. The friction between the DES and MSC over the allocation of funds was patently obvious,

"It is a measure of the political importance which the government attaches to these schemes that while other programmes are held back, the Chancellor should have unlimited funds for Holland".(Leader, Times Educational Supplement, July 1st, 1977)

There was little attempt to tackle the perceived problem of the schools academically biased curriculum, only a move to give power and increased funding to the newly created and more responsive MSC. St John Brooks (1985) argued that three major factors contributed to the decline of the DES and the rise of the MSC. First, overall economic strategy meant cuts in public sector spending which affected education and LEAs. Second, a greater emphasis on economic performance undermined the values implicit in the educational sector and

162
third, the autonomy of the local authorities meant their exclusion from the arena of reform. The structure of the educational sector, operating through the local authorities has often been cited as a major reason for directing youth training policies through the MSC rather than the DES. The autonomy of the local authorities made government control over spending through the LEAs difficult. DES attempts to plan a scheme similar to YOP were grounded by the realisation that it would be impossible for the DES to launch such a scheme with any speed. (St John Brooks 1985, Jackson 1986, Short 1986) The status of the MSC as a public organisation under the control of the Department of Employment ensured that the programmes did not come under the control of the DES or the LEA's. Only by taking responsibility away from the educational interests could the state intervene more effectively into the labour market and established systems. It also ensured that the effective control of the school curriculum by the Higher Education sector was not undermined, although recent government policy has been designed to end the control of LEAs over resources to higher education. (DE 1987)

However, if the MSC was able to by-pass established systems of management and control and intervene directly into this structure, it was only able to do so because of the fiscal problems of the education and in particular the FE sector. The ease with which the MSC has gained control over parts of the educational system can be seen in conjunction with the cuts made at local government level, particularly within the Further Education sector. (Simon 1982)(1) The effect, both financially and in terms of the curriculum, on the FE sector has been immense and the MSC has subjected the FE curriculum to the 'logic of the market place'.(Moos 1983)

With the Technical and Vocational Educational Initiative

(1) Work-related NAFE strengthened the MSC's control over the FE sector by channelling educational resources to LEAs via the MSC. (See DE 1984)
making an impact on schools' curriculum such an effect is likely within secondary education also.

The conflict between the MSC and the DES is important because of the use MSC special measures make of educational resources and the subsequent co-opting of parts of the FE sector into MSC funded programmes. With MSC funding being necessary to offset fiscal problems and staff cutbacks the control over educational resourcing by LEA's is weakened. The MSC is able to transcend the structural constraints of policy implementation in the education sector by direct funding of projects with accountability to the MSC offices. However, there could well be associated problems. Not only could potential conflict exist within the ideals and objectives of the programmes but it is not clear whether implementing 'new' programmes into established systems is always an effective strategy.

A further issue concerns the relationship of the MSC to central government. This involves the degree of consensus between the government and its policies and the ideological foundation of the MSC. It also concerns the degree of autonomy and control given to the MSC and the feasibility of its objectives when set alongside current government policy. Interventions by the MSC have frequently been attacked for attempting to disguise the political aims of the special measures with a justification of training. This view either sees a straight executory relationship between the government and MSC giving little autonomy to the policy formulation of the Commission and its boards, or assumes that, despite this process, central government is able to by-pass the negotiation of policy formulation and impose its own objectives on the MSC. Arguably the views of the MSC and government are not inter-changeable. Whilst the government may have responded primarily to the political pressures of high youth unemployment, the MSC responded from a strong ideology based on the need for a more comprehensive and extensive training system.
The MSC is actually limited in its ability to fulfill its own objectives. For example, on realising the need for a programme such as YOP the MSC acknowledged that the very best it could do was to concentrate on the characteristics of the unemployed and that the programme would only have a redistributive effect on the problem. Without government attempts to reflate the economy and create 'real' jobs, the MSC's own manpower programmes could do very little,

"The Commission can do nothing about demand-deficit unemployment. It cannot compensate for the inadequacy of the job generation process". (MSC; 1980a,16)

Yet whilst it cannot do anything about unemployment, the MSC is held to be responsible for the ineptness of its programmes to deal with it. This is a measure of the governments success in passing the responsibility for unemployment to what is essentially a training agency. The MSC is subject to government policies which are not necessarily in line with the long term aim of providing a better trained workforce. Thus the constraints of state activity had been imposed by placing the burden of unemployment on an agency which could have no effect on the fiscal policy of government, and which therefore reinterpreted this problem into one of training.

"...the major problem (of unemployment) is how to get the necessary increase in demand and at the same time achieve the other objectives of the governments economic strategy. The solution to this is a matter of overall economic policy which goes well beyond the competence of the Commission." (MSC; 1977a,23)

The aims of the Commission have been criticised for themselves extending the Commission's scope with only the
"...there can be no true economic well-being when unemployment is as high as it is now and is likely to remain, and there can be no satisfying working life for a worker who cannot even get a job". (MSC; 1977a, 23)

These overall aims then can only be tackled effectively when a low rate of unemployment is present and the aim of a contribution to overall employment is actually out of the range of MSC initiatives. The MSC, therefore, has to develop, as far as it can, policies which are feasible given its situation and the current policies of central government. This limits the types of response and necessarily moves the emphasis of its programmes to those areas upon which it has some control, such as barriers, imperfections and rigidities in the labour market. The MSC must, therefore, have a slightly less ambitious aim,

"...while manpower policy is an important facilitating agent in the process of employment creation and can thus aid economic, industrial and regional policies, it cannot of itself create jobs... The Commission's influence on the level of unemployment is limited...it may be able to influence the distribution or incidence of unemployment. But the generation of permanent new jobs is outside the Commission's powers." (MSC; 1980a, 3)

This would seem to be relevant in any understanding of policy failure. The process by which political pressures and demands are transferred within the realms of state departments ensures that political problems become translated into administrative ones. Once this occurs the type of
policy is inhibited by institutional limitations and the rhetoric of the organisation on which the responsibility is placed.

However, in a more practical way government objectives also lead to certain constraints on the effective implementation of a programme. Not only does the government ultimately control the resourcing of the MSC and its programmes, it also imposes conditions upon the way in which it is delivered, and its stated objectives. For example, after the announcement of the Holland Report, the new YOP was put across by the government as a measure to fight youth unemployment. They also promised the new programme would be launched quickly and this led to certain administrative problems in terms of setting up the programmes, training personnel and so on. The MSC was then accused of 'bungling the preparation of YOP'. (Youthaid 1981) The original objectives of the YOP, even in providing an adequate alternative to unemployment, had to be cost effective and take in as many of the unemployed as possible. Initially the Holland proposals anticipated a small YOP with the emphasis on quality and helping the less able. The government, however, had to provide a programme which could soak up as many of the young unemployed as possible. Moreover, the success of the programme as measured by the proportion of YOP graduates who found full-time permanent jobs, depended on the effect of redistribution. The more unemployed entering the programme, the less likely YOP would result in a job. To most, if it could not do this it had lost credibility.

The proposals for the YTS were also a compromise between the political needs of government and the long term objectives of the MSC. At the time when the task group were preparing a proposal for the structure, content and delivery of the YTS, the government published the White Paper. (DE 1981) The Task Group were constrained to propose a scheme which would meet the minimum requirements of the White paper, yet be more acceptable than the Government proposals. The compromises
made to the original ideal of a YTS were to provide major constraints on the effective implementation of the YTS. These were to focus attention on the young unemployed, limit the cost of the programme and have the scheme fully operational by September 1983. (The implications of this for the delivery of the YTS are discussed in Chapter Nine).

The discussion of the structure of the MSC and its relative autonomy from the state brings into question the institutional constraints present in both the formulation and delivery of MSC policy. In this respect, it would appear that the degree of consensus between the MSC and the government cannot be taken for granted. For this reason it is not reasonable to write off completely MSC rationale as being cosmetic coverage for political expedients. However, the way in which political objectives constrain formulation and delivery may result in programmes which are unable to meet their original or long term objectives.

Representation of Interests: The Negotiation of Policy

There has been an almost universal acceptance of the value of 'good training' and the need for a greater investment by the state in vocational and continuing education and training. The MSC had wide support upon its creation with employers, unions, educationalists and youth groups being in general agreement as to the need to direct state funds into this area and impose some form of statutory control. There may have been less agreement on the form this should take and the control of the operation. Despite the apparent consensus over the need to develop better training provision it is doubtful whether the MSC can be seen as an organisation with a unified set of opinions and objectives.

The Commission itself consists of 10 members including the Chairman as a public appointment. The 9 Commissioners represented the interests of employers through the CBI,
employees through the Unions, local authorities and education. The educational representation on the Commission was seen as a token gesture which effectively undermined the influence of educational interests on the policy negotiation process. Employers and unions were equally represented with 3 members each having a seat on the Commission. The Chairman has traditionally been a political appointment which has allowed a greater or lesser degree of consensus between the views of government and the MSC.(1) The tri-partite structure of the Commission was seen as a continuation of the approach to policy-making through consultation and consensus.(Richardson and Stringer 1981) It was also recognition of the need to co-opt the interests of both employers and the unions in any effective intervention into employment and training. The token seat for educational interest has been regarded as representing the relative insignificance of educational interests and co-operation in training policy.(St JohnBrooks 1985, Jackson 1986)

Formal representation through membership on the Commission is linked to the relative power of those interest groups represented rather than an appreciation of which groups might be concerned or have an interest in the MSC programmes. The representation of interests revolves around the need for the co-operation of unions and employers in any policy liable to intervene in the labour market. It does not, on this basis, place the same importance on the interests of the educational sector. As pointed out earlier, the MSC was able to intervene directly into this sector and an underlying objective of the government has been the erosion of educational ideals through the MSC. This would have been difficult to achieve with a strong representation of educational interests on the Commission.

(1) There has in recent years been more consensus between the Chairman of the MSC and the government than has previously been the case. In the late 70s and early 80s however, there was a degree of conflict between the two. (See Finn 1987)
The tri-partite approach hinges on the need for a consensus between government, employers and unions. The tri-partism is reinforced by the representation of these interests on area manpower boards and sub-committees within different sections of the MSC as well as the setting up of working groups which have looked into various issues of concern to the MSC. At the top of the hierarchy, the interests of education, local organisations and training organisations and the consumers of MSC programmes are not well represented and the overall direction of MSC policy has a more rigidly defined tri-partism. However, the inclusion of different interest groups in other parts of policy or monitoring activities does mean that, for example, the views of youth through representation of youth organisations is not completely ignored, in those areas where it is seen to be important.

On the surface at least, it would appear that the decision making process of the MSC is subject to the need for consensus of all interested parties. This should ideally be reinforced through the representation of local officials on area manpower boards to ensure that locally based interests are also represented. However, there is some doubt as to whether the views of consumers, for example, youth groups, as well as those required to carry out the implementation of the programmes are formally represented on the Commission, area manpower boards or working parties. This relegates their role to that of a lobbying organisation, set outside formal procedures.

In practice it is unclear how far a 'consensus' actually exists or could be reached between those organisations which are formally represented on the Commission. Educational interests and priorities have been to secure the continuance of present educational provision and offset the effects of cutbacks by lobbying for increased resources and the maintenance and autonomy of LEA's. Whilst there may be some degree of consensus on the need for better training, the educational sector has traditionally resisted attempts to
subject it to the logic of the market place or to erode the autonomy of the education sector and teaching profession.

The interests of employers and trade unions have not been easy to reconcile and whilst the MSC had a workable relationship with unions these, it has been shown, have suffered under the current government. (Eversley 1986, Finn 1987) In terms of the MSC's training programmes, the unions were against any programme which threatened to take away jobs, particularly from adult workers and were concerned that programmes such as YOP and the YTS might provide a means for employers to extract cheap labour from the workforce. They were, however, committed in theory to the aims of providing a means of training the workforce and saw an attempt to improve training facilities as beneficial.

Given this however, 'union' response to MSC measures has differed from one union to another, as has the unions' ability to impose any control over the programmes. (Finn 1987) To some extent then union control is sectoral in nature and cannot be separated from their overall strength and location within the labour market. It was within the craft unions particularly that the issue of wider availability of training must be seen within the context of restricted entry practices. These protect the skilled worker from market forces and strengthen the power of the unions. Furthermore, it should be pointed out that the representation of unions on the board does not equate with a representation of workers. Many of the programmes implemented by the MSC have been aimed at those sections of the workforce not covered by unions. The inclusion of unions in the Commission was an attempt to incorporate, in a formal way, organisations which have an influential effect on the acceptance of government and MSC policy and whose co-operation must be sought. Given the attempts by craft unions to protect differentials between skilled and semi and unskilled workers, the net effect may well be to further fragment the labour force by negotiating separate terms for particular segments.
of the workforce covered by large and powerful unions. It may also, however, serve to protect the labour force from further erosion of skill.

The same may be said for the degree of consensus amongst employers. The representation of this group is an attempt to win the co-operation of a large and influential sector of the business world rather than straightforwardly to represent the interests of all types of employers. However, the influence of this group through the process of implementation may in fact be more far-reaching than the influence they may have within the more formal procedures of policy negotiation. As argued by Cawson (1982) capital has a veto-power on the formulation and delivery of policy that makes its representation on a tri-partite organisation a formality.

Many of the criticisms of the MSC centre upon - and indeed may be part of - the decision-making process within the MSC and its officers. The Commission was founded upon the need to co-opt all interests into the workings of the MSC and its policies. This need for consensus has led to a situation where policy is ill-defined and vague enough to be capable of multi-interpretation. (Richardson and Stringer 1981, Cohen 1984) It has also been argued that consensus and consultation is fast becoming a myth as the control over the MSC is tightened by the current government. (Jackson 1986, Short 1986) The MSC is depicted as a state department implementing Thatcherite policies rather than a tri-partite organisation capable of forming policy through consultation. (Markall 1981, 1982, Fairley 1982b, Finn 1986, 1987, Kaufman 1986)

If this is the case it may be insufficient to regard the policies of the MSC as those of a Commission steered by the principles of consensus and consultation. First, this underestimates the importance of government directives, political objectives and intervention on the process of policy negotiation. It cannot be assumed that any equal
relationship actually exists. Second, it ignores the extent to which government may be allied to the interests of a particular group, or even constrained to represent these interests. In this case the demands of capital may be selectively represented within the negotiation process. It is more important, however, that they are represented throughout the whole process of delivery. If the content of the final proposal of the YTS was 'vague and abstract', this would allow interpretations favourable to particular groups depending on the need for co-operation within the process of implementation.

On forming the proposals for the YTS, although the Task Group may have achieved a consensus on the need for better training arrangements, it is debatable whether or not the form or content such training should take was agreed. The level of abstraction present in much of the content of the Task Group Report could in part have been a reflection of the inability of such diverse interest groups as the CBI, Trade Unions and the Education Sector to agree on many issues at a practical level. This would be constrained further by the need to meet certain government objectives and operate within certain limits (for example financial constraints). The YTS which emerged appeared on balance to favour employers, whose voluntary co-operation in the scheme was vital. The YTS was sold to them almost as a financial incentive for subsidising existing training costs by taking on 'additional' school-leavers; The interests of capital can be structurally and selectively represented without having to be mentioned. For example, the whole principle of the programme, whether this is seen as an unemployment or a training measure may be located within the interests of capital, either as a means of social control, a palliative to unemployment or as a state funded production activity.

However, two points emerge from this observation. First, the objectives of MSC programmes, as detailed in any proposal, may represent a kind of consensus. They cannot be written
off as being 'cosmetic' or 'mystifications' of an attempt by the state to deskill, lower wages, dismantle the training system and so on. This means that there is no great conspiracy to implement repressive policies under the guise of benevolent training systems. The corporatism of the MSC allows for representation by organisations who would not agree to such policies. The second point is that this must be seen in conjunction with a system which renegotiates policy through the implementation process. The actual delivery of policy allows for shifting objectives, reinterpretation of guidelines and delivery mechanisms and even reallocation of funds. In a sense it may allow those groups who were not formally represented in the negotiation of policy to exert their influence on a programme or policy. At the same time however, it may be the instance when the real negotiation of policy objectives begins.
CHAPTER NINE

THE IMPLEMENTATION OF THE YTS

National Constraints and Compromises

There are two interrelated components to a discussion on the reformulation and delivery of the YTS. A first set of questions concerns the extent to which changes, reformulations and the direction of policy had an effect on the overall objectives and implementation of the YTS. Leaving the actual process of delivery aside, this looks at the management decisions taken on how the YTS was to be resourced and delivered. It considers whether this changed the overall direction of the programme. The second set of questions is more concerned with those institutional and economic factors which may have had an effect on the delivery of the programme. This would include the administration of the YTS, in particular the institutional arrangements for the operation of the YTS within the context of labour market structure and existing training provision.

In considering the reformulation of the policy it is important to include the shifting objectives of the YTS. Initially the YTS, as part of the NTI, was intended to bring about major changes in the training arrangements for young people leaving school. Before this was approved in principle, the emphasis of the programme was effectively changed through the proposals contained in the White Paper (DE 1981) which were concerned "initially" with the unemployed. The Task Group response was to propose a scheme which could incorporate a commitment to the unemployed without abandoning longer term objectives. This created certain tensions within the YTS by redirecting its focus towards the unemployed and therefore lessening the impact it could have on the training arrangements and training provision for the employed.
This altered the objectives of the programme in the short term and had a number of consequences for the organisation of the YTS and the resulting balance of schemes from one area to another (see next section). The short term objectives were those of meeting deadlines, guaranteeing places and setting up delivery mechanisms. The core aims of the YTS were redefined as long term objectives. It was not anticipated that these aims could be effected by compromises made on the programme in its formative stages. Politically there was no recognition of constraints and the YTS was launched as a training scheme set to have an impact on vocational and pre-vocational training. This was despite the fact that the bulk of resources were to be concentrated in areas of high unemployment. The direction of funds in this way limited the scope of the YTS to achieve a major impact on the youth labour market. Concentrating on the distribution of work, rather than issues of training within work, its potential as an intervention within the labour market was reduced. (1)

The actual level of provision for YTS places was not determined by the need for training in any given locality, but by the necessity of guaranteeing places for the unemployed. Consequently, the bulk of resources were allocated to areas with few opportunities for work, and the areas with real training needs, particularly where new technology industries were located, were allocated few resources. The government's need to alleviate the problem of youth unemployment replaced the need to train school-leavers for work. The emphasis of the YTS duly shifted. The credibility of the YTS as a training measure relied on the content of the training being linked to jobs. The YTS could not be a 'bridge' between school and work, unless it could guarantee a job at the end. That the resources were

(1) Additionality did not bring a substantial number of employed young people within the scope of the YTS, other than as a paper figure. Few of the 'employees' covered by YTS would be aware that they were officially counted under YTS.
concentrated on the unemployed, and especially in areas with few opportunities for work, brings into question this aspect of the YTS.

As Raffe (1983) commented, this policy reduces the programme to one that concentrates on the redistribution of employment opportunities through the focus on the personal characteristics of the unemployed. That the allocation of places was based on unemployment levels altered the perception of both young people and officials to the YTS and led to it being seen primarily as an unemployment measure. (1) In this respect it is reasonable to suggest that to most participants the YTS was a second best to work. The way the programme was perceived was of immense importance in terms of its future ability to provide something more comprehensive.

In order to meet government requirements proposed in the White Paper (DE 1981), the Task Group proposed a split between Mode A and Mode B places. This was based on a financial consideration, though justified as a desire for the programme to be 'employer-led'. The majority of places were to be with employers or alternative organisations under Mode A provision. The actual funding of Mode A places gave very few resources to a managing agent to provide any extensive skill training. For all managing agents the level of funding was one of the major factors in determining the number of places and content of a scheme, especially in terms of the emphasis placed on skill training and the amount of off-the-job training.

From being a scheme with the emphasis on off-the-job training, the 'training' content in Mode A provision came to

(1) The low national occupancy rate (between 50-60%) was explained by the unforseen upturn in the jobs market. This is clearly a realisation by the MSC and government of the YTS's secondary status to employment.
be seen more as work experience. The year preceding the launch of the YTS saw the funding of pilot schemes. The 'new training programme' thought of as the fore-runner to the YTS was discontinued. Managing agents who had formally run a 6 months off-the-job training component in schemes for that year had to submit proposals for YTS schemes which included only 13 weeks off-the-job training. This obviously reduced the capacity of Mode A managing agents for providing 'skill' training. (See Chapter Eleven).

The necessity to guarantee places to the unemployed coupled with the financial need to secure 70% of the places under Mode A provision determined to a large degree the way the scheme took shape from one area to another. As is shown in the following section, it did not always result in the best solution either to the training or unemployment problems of a particular local area.

The need for some kind of scheme to be delivered quickly placed a major constraint on the delivery of the YTS. The 'timing' constraint meant that the identification of places became something of a race whereby the quantity of places located acquired more importance than their actual quality. The speed with which the programme had to be launched led to problems which were associated with the lack of clarity in the rules governing such matters as recruitment to the programme, role of the Large Companies Unit (LCU), how places were to be allocated by industrial and occupational sector, as well as the form and content of the schemes. This was compounded by the lack of cohesion which existed within the training arrangements. It allowed a certain amount of flexibility to develop in terms of the perceived aims, and therefore practical implementation of the programme.

An example of the effect of the timing of the YTS concerned the role of the careers service in the recruitment of trainees to the YTS. Local careers service offices were obliged to negotiate their role and involvement during the
planning and initial phase of the programme. As can be seen later, this caused much disharmony between managing agents, employers and the careers service. Likewise, the occupational training families, which were initially seen to be an integral part of the idea behind the delivery and form of vocational preparation and training, were not in any kind of finalised form. Some of the more abstract or complex concepts behind the YTS, for example, 'transferable skills' or 'occupational training family' were lost sight of in the haste to get a programme off the ground. And the role and scope of the LCU, able to by-pass area manpower boards, resulted in problems of monitoring, accountability and the use of YTS places nationally. Accredited centres, given responsibility for training staff involved in YTS were themselves not in operation and only started offering courses after the launch of the YTS.

It has already been noted that the YTS emerged at a time when statutory training provision was undergoing radical change, for example, in the dismantling of the Industrial Training Boards, with changes in the funding of those left in existence. This ran parallel to a reduction in the number of apprenticeship places each year, a decline in skilled manual work in some traditional industries and, equally important, a perceived fall in the importance attached to post-school training by employers. Reductions in training budgets, caused by recession and cutbacks in recruitment compounded the changes brought about by the reduction of statutory training provision for the employed school leaver.

This had a major effect on the situation facing the non-advanced further education sector with respect to their role as major providers of vocational training and was reinforced by education cuts which affected the FE sector. The YTS and the increasing role of the MSC have to be located within a changing system of post-school provision for training on two counts. First, because the training system has some effect on the effective implementation of the YTS as a part of a new
system of training. As was argued by training boards subject to abolition and others in the training field, the YTS relied on the existence of a structure which was no longer there. In some occupational and industrial sectors the existing and surviving training arrangements were not sufficiently funded nor advanced enough to be able to respond effectively to the need for a training programme for new entrants to the labour market. In areas where there was no organised system for training this created a situation whereby the response of industry/training providers to the programme was highly differential.

Second, however, the YTS must also be seen as a part of an attempt by the state to change or restructure training provision. For example, the dismantling of the ITBs is not at odds with the implementation of the programme if an underlying aim is seen to be providing employers with more control or flexibility over training arrangements. Likewise, cuts in education may be conducive to the situation whereby the MSC could exert its influence over the FE sector and their provision of non-advanced training for school leavers. The existing training arrangements will have an important influence on the implementation of the YTS. The YTS, however, is one of the levers of change in this system.

The need to implement the YTS quickly left no time to consider - on the basis of either industrial or occupational grounds - the most effective mechanisms for running YTS schemes. Those organisations which tended to become YTS managing agents were selected on the basis of their existing contact with MSC, their ability to operationalise a scheme and in some areas, the non-existence of any other type of sponsor. In part this was linked to a desire to use 'existing' supports and arrangements. It did, however, mean that YTS was translated into the remnants of the existing training provision in many industrial and occupational areas.

The exception to this argument is the initial exclusion of
the FE sector as managers of the YTS. The role given to the FE sector was initially less than anticipated with Mode R1 provision favoured over FE based courses under Mode R2. The role of FE was seen as providing off-the-job training to YTS trainees in consultation with other managing agents. This caused a certain amount of conflict between FE colleges and the MSC given the contribution the FE colleges had made in running the NTP's, the fore-runner of the YTS. There can be little doubt that if the use of existing training resources was a priority, FE colleges would have had a more extensive role in the running of YTS projects. The exclusion of the colleges from a more extensive role in YTS must be seen not only as a by-product of the funding arrangements but also of the desire to locate schemes outside the control of LEAs. Though they undoubtedly had a major role to play in the provision of off-the-job training, their more qualitative input into the YTS was reduced.

Linked to the issue of delivery, and of some consequence for the issue of local provision, are the mechanisms governing national, regional and local management of the YTS. This has only been touched upon here although it was of immense importance for the ability of the YTS to respond to specific local needs in training. It set the balance for the relationship between locally based delivery and nationally defined criteria and objectives. In part the conflict between these two has been at the heart of many problems concerning delivery. Specific issues arising out of this are dealt with later under the discussion of the implementation of the YTS in three local labour markets.
The Provision of YTS in Three Local Labour Markets

The following discussion looks at the way in which YTS emerged within three different labour markets. This both illustrates the effects of decisions made at a national level on the local provision of YTS places and the effect of the local labour market on the YTS. It describes both the structure of the provision and the factors which influenced this within each of the three labour markets.

The discussion concentrates on issues which emerge at the point of delivery. However, local labour market factors must be distinguished from national labour market trends. As seen in the last section, the YTS was liable to be affected by the differential ability of various occupational and industrial sectors to respond to it and influence its form. This would include, for example, both the existence of an industrial training board responsible for national training standards within an industry and the relative standing of such an organisation, the existence of an acceptable statutory or non-statutory training or validating body within an occupational sector, and the degree of cohesion within an industrial or occupational segment. It could also include specific employer-related factors within labour market sectors: for example, the degree of internal labour market structure within firms in a particular labour market segment, the size of firms and whether they are represented by a recognised employer and/or employee association. The degree of trade union or association involvement and control will also have a bearing on the response by industry.

These points are discussed in subsequent chapters which are not so concerned with local labour market factors. It should, however, be noted that local labour markets are the local representations of the national market. Local labour markets and the conditions within them cannot, therefore, be separated from the structure of the labour market as such. However, specific local conditions and the structure of the
local labour market do have an affect on the way in which the YTS operates.

The emerging provision of YTS places was considered in three different local labour markets, St Albans, Leicester and Sunderland. A full account of the structure of these areas in terms of employment and industry is contained in Appendix Two.

The three local labour markets varied in terms of sectoral location of industry, work opportunities and unemployment. St Albans, a local market which encompasses the districts of St Albans, Welwyn and Hatfield, is an area of low unemployment with a heavy reliance on capital, high-technology industry. Sunderland, an area with a high proportion of unemployment, has a declining traditional labour-intensive manufacturing base, which has had a high proportion of manual workers. Leicester is more or less midway between the two areas with a more diverse industrial base and an average level of unemployment and a more balanced distribution of manual and non-manual occupations.

Ideally, if the overall objectives of the NTI were to be met, the type of training provision produced by the YTS should have met several requirements. First, it should reflect the demands of local industry for labour, running schemes which provided training relevant to the local labour market and consistent with present and/or future opportunities for work. Second, the training should be relevant to the future needs of industry, teaching skills appropriate to new technology and moving towards a broader base of skill training. Third, the types of schemes which operate should be appropriate to the social composition and aspirations of the trainees themselves.

In reality, however, the implementation of the YTS, within the context of the local labour market, limited the capacity of the YTS be innovative, to train for the future, and to
satisfy the needs of both the trainees and industry. The short term aims of the YTS, particularly the need to guarantee places to the unemployed, created obvious limitations as to how far this would be possible under present conditions. However, given this, the distribution and organisation of the YTS places can be explained not so much by reference to the objectives of YTS as by the character of the local labour market, the availability of training capacity and the organisational interests of training agencies.

The level of provision in an area was determined by the level of unemployment. As mentioned previously, this imposed a restriction on how far the YTS could reflect the opportunity for work in areas of high unemployment when the volume of the provision was determined by its very absence. A comparison of the actual allocation of places within the three areas reveals the differences in allocated provision.

Table 1 Allocation of YTS places by area (1982-83)

<table>
<thead>
<tr>
<th>Local Labour Market</th>
<th>Potential School-Leaver Population</th>
<th>Nos in school or F.E.</th>
<th>Nos available for work</th>
<th>YTS places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunderland</td>
<td>5,200</td>
<td>1,600</td>
<td>3,600</td>
<td>3,000</td>
</tr>
<tr>
<td>St Albans</td>
<td>4,500</td>
<td>2,700</td>
<td>1,800</td>
<td>1,000</td>
</tr>
<tr>
<td>Leicester</td>
<td>6,500</td>
<td>3,250</td>
<td>3,250</td>
<td>2,800</td>
</tr>
</tbody>
</table>

Source: Careers Service figures, Sunderland, St Albans and Leicester
The number of school-leavers actually available for employment was determined by the staying-on rate. In St Albans this was very high, about 67%, though this figure was much lower in Welwyn and Hatfield bringing the combined rate to about 60%. In Sunderland where unemployment amongst school-leavers was about 80%, the staying-on rate was only about 30%. Leicester conformed more to the national average with an estimated rate of 50%.

The number of places allocated to the area was calculated on an estimate of the proportion of those school-leavers available for employment who would be unable to find work. The final figure would also include a number of places under YTS for employed school-leavers. This would be considerably higher for Leicester and St Albans than it would be for Sunderland, and explains why the provision of places appears to be higher for Leicester (86% of the available for employment group) than in Sunderland (83%). The Leicester figure of 2,800 includes about 700 places intended for the employed. Moreover, in Leicester there are proportionately more 17 year olds entering the labour market than in Sunderland where the initial number of school-leavers staying on in education was lower. On balance then it can be seen that the areas with higher unemployment were allocated provision sufficient to guarantee a place to all the unemployed.

The unemployment and staying-on rate have some effect on the composition of the client group for the YTS within the three areas, and hence on the types of YTS places which would be appropriate to the needs of this group. In St Albans, where unemployment was low and the staying-on rate high, the unemployed school-leavers were typically the lowest achievers. The higher ability levels usually remained in full-time education, or were creamed-off by local employers. With the exception of those school-leavers who sought work in specific occupational areas for which demand has declined
(for example, motor vehicle), the YTS client-group were of a generally lower ability level.

Sunderland by comparison, had a much wider based client group and included school-leavers with higher academic or vocational qualifications as well as the less able. From the point of view of the type of YTS place being compatible with the client group, many of Sunderland's school-leavers would be more suited to high level training programmes at craft level or above. In St Albans, the reverse would be the case with more unemployed school-leavers being able to make use of Mode B type provision. Leicester fell somewhat in the middle of these two examples with fewer highly qualified school-leavers but a more balanced client group overall. (1)

The needs of industry for specific types of labour are often in conflict with the characteristics of the unemployed. This mismatch between the demand for labour and its supply ultimately affects the extent to which the YTS can reflect the opportunities for work in an area. For example, in St Albans, opportunities for work occurred primarily within the new technology industries and service industries. In terms of the former, skill shortages occurred at the level of technician grade labour and above, often at graduate level within the area of electronics and computing. (2) These high technology industries create relatively few opportunities for craft skilled labour. At a lower level, opportunities might only occur in such areas as assembly and packing which had typically been the preserve of female labour in St Albans.

(1) The racial factor in unemployment should be noted here, particularly with respect to the situation in Leicester. Many of the more highly qualified unemployed young people in Leicester were of ethnic origin.

Opportunities for low achievers and unskilled school-leavers were somewhat scarce. The importance in this environment of academic qualifications was reaffirmed by the demands of employers for high levels of attainment and the predominance of white collar and professional work. In St Albans, therefore, there was a limit to how far the client group would be able to fulfill the demands of industry. The situation for the low achiever in St Albans, despite a low unemployment rate, could still be fairly acute.

There were few opportunities for any type of work in Sunderland and educational qualifications were no longer a guarantee of work, which may partly explain the low staying-on rate. All the major industries in the area were in a state of decline, some of which could not be expected to increase employment opportunities in the event of an upturn in the economy. There were few opportunities for school-leavers to obtain apprenticeships and many of these were sponsored by the Borough Council. For most school-leavers government schemes would be their only experience of work. Of those that were available evidence suggests that many opportunities for work were to be found in low paid, insecure jobs such as those in the clothing industry and packing work in the distributive trades.

Leicester exhibited a more moderate situation in comparison to both Sunderland or St Albans. Although unemployment amongst young people was about 50% in 1983, there were still opportunities for work, as well as some indication of an increased demand for labour in certain industries, for example, in hosiery and knitwear manufacture. However, the engineering industry had been in a state of decline reducing opportunities for craft apprentices and opportunities for skilled work. This, coupled with a decline in the demand for skilled labour in other traditional 'craft' industries such as printing, motor vehicle and construction, reduced the potential for entering skilled work.
The provision of places under YTS was divided into two modes; A and B with Mode B sub-divided into B1 and B2. As seen earlier Mode A provision was considerably cheaper than Mode B. The budgeting of the programme necessitated a split of 70:30 Mode A to B places in order to fulfil its obligation to costings. However, Mode A provision necessitated a greater input from employers and was not as feasible in areas of high unemployment. The 70:30 split was achieved by taking a nationwide approach with those areas of lower unemployment achieving a higher number of Mode A places than areas of high unemployment. This was to reflect the demand by employers for trainees, although as mentioned already it presented difficulties in finding enough sheltered places for young people in areas of low unemployment.

In theory, Mode A provision was primarily aimed at the more able school-leaver, and Mode B at the less able, often disadvantaged young person. The majority of Mode B provision was provided by converting YOP schemes over to YTS. Suitable YOP schemes were Training Workshops, Project Based Work Experience and Community Schemes. In some areas college based courses were also used as Mode B YTS places. As already seen YOP had become hierarchically stratified with the more able young people taking up WEEP places. It was inevitable, given this, that Mode B would be seen as the more sheltered scheme providing for the less able or disadvantaged young person. Employers who had been involved with WEEP were likewise co-opted into Mode A YTS.

Certainly in St Albans and Leicester there was the feeling that Mode B provision was for the less able or less employable young person. Careers officers in the St Albans area actually felt that because of the lack of Mode B provision in their area, the less able young person was difficult to place. Careers staff claimed throughout the year that employer schemes would not, or could not, recruit such young people and had vacancies, yet their Mode B schemes were all full. Sunderland presented a different situation in
that Mode B provision was not necessarily seen as being for the least able. Not only was Mode B provision more substantial, but in some occupational areas it formed the majority of provision. The distribution of Mode A placements within the three localities coincided with the level of employment in that locality. Sunderland had a Mode A : B ratio of about 50 : 50, Leicester conformed to MSC criteria of 70 : 30 and St Albans had a split of about 80 : 20. The MSC were aware that Mode A placements would be harder to find in areas of high unemployment and consequently aimed for a national average.

Local Provision and Training Resources

As mentioned earlier, training provision for YTS emerged more or less in line with the existing providers in any particular area. To a great extent this was the case, taking into account the role of private training providers. However, it does ignore the role of the FE sector. In particular, in the first year of YTS FE provision was seen to be under Mode B2 provision - the least favoured mode. Although of late FE has become more important by using a consortia approach to YTS, in its initial year the delivery modes relegated the role of FE to the provision - where demanded - of the off-the-job training component.

In Leicester, this significantly affected the role of FE. Having contributed substantially to the running of the NTP's - thought to be the forerunner to YOP, they were all but excluded from the management of YTS places. This caused some initial ill feeling between local TD and the FE sector. However, it does indicate the way in which the YTS undermined the role of FE and began the recent move towards making the FE sector more "market-orientated".

By contrast, the FE sector in St Albans and the surrounding area, played a more significant role in the provision of
training under the YTS. A number of the colleges in the area were directly linked to specific occupational or industrial sectors, for example, The College of Building. With a much higher staying-on rate educational provision was good for both academic and vocational courses and although apprenticeship training had declined, departments had retained a role in technician and technology training. This, in conjunction with the role colleges had maintained in providing training for employers and training boards meant a greater involvement in YTS from the outset.

Notwithstanding the differential role of FE in the three areas, the type of provision which emerged under Mode A depended on the local resources available for training under the YTS. In order to expand upon this it is necessary to consider the different organisational forms of managing agents. The main forms under Mode A were as follows:

1) **Employers** Employers negotiate places at either a national or a local level. Local employer schemes are of a reasonable size from about 12 to 100 places, depending on the firm size. Employer places negotiated at a national level may have only one or two places in any given area, though larger establishments may have schemes which run on a similar level to the larger local schemes.

2) **Training Groups and Associations** It is common for existing training groups or associations to take on the role of managing agent. This could be either on behalf of a specified group of member companies, or entirely as a result of their own initiative. These training groups are usually found in the more traditional industries, especially where capital outlay involved in providing training facilities is high.

3) **Training Boards** There are some instances of a Training Board fulfilling the role of managing agent for its industry. Places are usually negotiated at a national level, for
example, the Construction Industry Training Board Scheme.

(4) Private Training Agencies In many areas, private training organisations are responsible for the management of YTS. Such agencies may have been present within the locality previously or have come to that area specifically because of the YTS. They are commonly present in areas of occupational training for which none of the above are present, or sufficient for training purposes. For example, in retailing and distributive trades where there are a large proportion of small employers, or clerical occupations which are not industry-specific. In areas without private training agencies and large numbers of unemployed, Local Authorities often act as the managing agent for groups of small employers.

Wherever possible, the schemes were set up by the MSC within existing training facilities, for example, with employers or training groups. Where such facilities were not available, however, new forms of training provision emerged or were expanded. Table 2 illustrates the number of places by the type of managing agent.

In Leicester and Sunderland, 25% and 19% of places were provided through the LCU. This figure was considerably higher in St Albans, with 43% of Mode A provision. In areas of high unemployment private training agencies were dominant and in Sunderland they accounted for 36% of all Mode A places. Even in Leicester private training agencies accounted for over 25% of all Mode A places. Only in areas of low unemployment were such schemes of minor importance and in St Albans employer-based schemes accounted for the majority of all Mode A places.

Differences in the provision between the three areas are a result of two main factors, namely the availability of training provision and the need to guarantee places to the unemployed. Areas in which there is a relatively strong
Table 2  Distribution of Schemes by Managing Agent Type
(1982-83)

<table>
<thead>
<tr>
<th>Managing Agent</th>
<th>St. Albans</th>
<th>Leicester</th>
<th>Sunderland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Employers</td>
<td>37</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>Large Company Unit</td>
<td>43</td>
<td>25</td>
<td>19</td>
</tr>
<tr>
<td>Training Groups &amp; Associations and</td>
<td>15</td>
<td>31.5</td>
<td>31</td>
</tr>
<tr>
<td>Training Boards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Training Agencies</td>
<td>5</td>
<td>27.5</td>
<td>36</td>
</tr>
</tbody>
</table>

Source: Careers Service records, St Albans, Leicester, Sunderland

demand for labour are likely to have the capacity to run schemes without the input of external agencies, for example, with employers or training associations. This capacity is much lower in areas of high unemployment where existing arrangements have to be supplemented by alternative forms of provision, for example, private schemes, autonomous training groups and Mode B provision. The degree to which the YTS will emerge in line with existing job opportunities, may depend on such opportunities being present in the first place.

In Sunderland, where there was little available training capacity within the labour market, the schemes were operated mainly by private training agencies, colleges, autonomous training groups and the Borough Council with few actual employer-managed schemes. Sunderland needed far more
training places than could be obtained from within the local labour market. In order to guarantee sufficient provision the scheme could not be as employer-based or employer-led as was possible in some other areas.

In Leicester, the situation was somewhat similar though on a smaller scale. Although there were large numbers of private agency places, there were also employer-based schemes and large training group schemes. As expected, St Albans had very little use for private schemes and the volume of the provision would not, as a rule, promote their activities. It is in areas such as St Albans that Local Authorities are more likely to take on the role of managing agent on behalf of smaller employers.

The extent to which the provision of YTS places could be employer-based, therefore, depended on the conditions prevalent within the local labour market. That the scheme was linked to the opportunities for jobs in an area (existing or future) was seen as crucial for its role as a training programme and a bridge from school to work. Yet in some localities the majority of the provision was through organisations which were not employers and in themselves could not provide jobs. The higher the unemployment in an area, the more likely it was that Mode A YTS places had to be provided by such organisations. This undermined the stated goal of making 70% of the YTS places 'employer-based'. Although 70% of the places were under Mode A provision, this was not the same as being 'with employers' as has often been claimed.

OTFs were to be used as a means of broadening training content (see Chapter Eleven). However, in the decisions made about the implementation of the YTS they formed the basis for the types of places to be provided. That is, some idea was formed of the way in which YTS provision should emerge in an area. In both Leicester and Sunderland this involved the careers service making recommendations to TD on the type of
provision, by OTF, thought necessary.

In Leicester, the careers service considered the occupational choices of the leaving (client) group for that year. This was adjusted according to an assessment of what the careers service felt "the labour market could take". Labour market information was based on an analysis of known destinations of the previous year's school-leavers coupled with an analysis of available WEEP places which they believed would become part of YTS. Leicester careers staff realised that this was not an accurate account of the opportunities facing young people and that young people's occupational choices did not necessarily conform to labour market conditions. They felt their figures were a "rough guide" to what might be needed.

The situation in Sunderland and St Albans was much the same, although rather than adhering to the MSC's defined OTF's, Sunderland careers service used its own system of categorising occupations and used 16 categories. The careers service assessed job preferences of all statutory age school-leavers and categorised them into OTF's. This was not linked to demand from the labour market. The careers service in Sunderland felt that, given high levels of youth and adult unemployment in the area, it was not helpful to assess "what the labour market could take".

The above discussion, however, serves only to illustrate the attempt by the careers service to provide information thought to be useful to TD in planning and negotiating provision by OTF. In effect, in none of the areas did existing provision accord with the careers service breakdown. In Leicester they were used as a guide to a certain extent but did not stop over-provision in particular OTF's particularly those in retail, administration, engineering and construction. The same situation emerged in Sunderland and to a lesser extent in St Albans. Careers staff did not however feel that it reflected the response of employers in the area so much as the response of training providers. There is little evidence
to suggest that the emergent provision was either in line with young people's aspirations and/or occupational choices, or local labour market demand.

The way in which provision was planned had more to do with the available resources and mechanisms for delivering it. In the absence of enough participation from local employers, TD attempted to contract training organisations to provide places. Locally based training providers were more enthusiastic, particularly those previously offering training in occupational or industrial sectors where either the industry was in decline (for example, engineering) or where training boards had been dismantled (for example, retail). This, however, was linked more to the existing - or potential - training provision in an area rather than the demands of employers or young people.

A further point relating to the use of OTFs as a means of providing a range of occupational provision concerns the actual occupational groupings themselves. In theory training within an OTF was to be no narrower than the OTF itself. This allowed places to be provided using an OTF as guide to type of scheme. However, the range of an OTF was in practice much broader than its perceived applicability in terms of transferable skills. Nor did providers attempt to cover the breadth of an OTF. This meant that, for example, all training places in OTF2 (Agriculture, Horticulture, Forestry and Fisheries) could be located in garden centre-type providers. All provision in OTF7 (general manufacturing) could end up centred around one or two types of manufacturing industry.

The Negotiation of Places

There is a tendency to argue that provision of YTS places should have been subject to criteria which would have ensured its appropriateness. This assumes in the first place that
such criteria exist (and the information needed to adhere to them) and second that all parties agree on them. By showing the emergence of the YTS provision as a process, the difficulties involved in delivery are highlighted. This includes a discussion of how responsive the YTS could be to the demands of employers (within a local labour market) and how well this accords with the aspirations of young people eligible for the scheme.

One of the main issues within this analysis is that there are no 'givens'. The negotiation of places was ultimately the responsibility of the MSC. In all three areas local TD relied to varying degrees on the information provided by the careers service. The careers service itself was not in a position to "know" what employers would want, and had to rely on 5th form interviews to form any picture of what young people might aspire to. In terms of data then, not only were they dealing with inadequate databases, they were also attempting to make predictions at a time when occupational and industrial changes had undermined the viability of using previous year's data as sources. In particular industries in Leicester, for example engineering, it was difficult to predict the likely demand by employers for trainees. Moreover, as had been found with YOP, the demand by employers for YOP trainees was not necessarily a reflection of their demand for young trainees, or workers. The potential that YOP - and YTS - had for employer misuse meant that the provision in certain industrial sectors was not likely to be linked to existing labour market opportunities. Insofar as it was influenced by the existence of training provision, it represented training for stock. However, in specific instances the response was influenced by the need for firms at the margins of viability for subsidised labour or training facilities.

There were two components to the decisions about the provision of YTS places. First in terms of numbers, how many young people would require places on the scheme. Second, what type of provision, in terms of occupational
category and level of place should be assumed. The level of provision in Leicester was roughly calculated by the special measures unit (SMU) of the careers service. The variables used in calculating the number of places required were:

1. The potential number of school-leavers,
2. The estimated number of school-leavers likely to stay on at school or go into further education,
3. The likely unemployment rate for school-leavers seeking work, and
4. The numbers of young people finding work who would be covered under the YTS as employees.

Whilst a reasonably accurate view of potential school leavers was possible, the expected rate of those staying on was uncertain, as was the rate of unemployment. The SMU used two different rates for each and calculated the number of places, first, on the basis of a 45% staying-on rate and a 50% unemployment rate and second, on the basis of a 40% staying-on rate and 70% unemployment rate. Taking into account a ratio of 3:2 between unemployed and employed young people on YTS this gave them two figures of 2,195 and 3,320 places. In a situation whereby it would be politically disastrous to underestimate the numbers of places needed they 'chose' a figure of around 2,800 - somewhere between these two.

In practice, the number of YTS places both in Leicester and elsewhere was exaggerated, causing many problems in the recruitment of trainees to the scheme and financial problems for managing agents unable to obtain the target number of trainees necessary to make a scheme viable. However, the calculations must be seen as sheer guesswork at a time when the YTS was being put forward as a scheme which would offer a training place to every unemployed school-leaver and a substantial number of those employed. Not only was unemployment lower and the staying-on rate higher than anticipated, the ratio of unemployed to employed on YTS never materialised (Suddaby 1994)
The situation in the Sunderland area was rather different. Both the unemployment and staying-on rate in the Sunderland area were more stable and it was easier to provide better information on the numbers of places likely to be needed. Likewise, in St Albans the level of unemployment though rising rapidly in their own terms, was in absolute numbers low. The number of YTS places was decided on the basis of past numbers of unemployed and though this was over rather than underestimated it resulted in a low number of places seen as necessary.

The over-provision of YTS places was a nationwide problem which considerably threatened the credibility of the programme along with the seeming reluctance of young people to participate in the scheme. Even though some of this over-provision can be accounted for by over-estimates provided by local careers and/or MSC staff in practice it is also necessary to consider factors on which local officials had little influence. The negotiation of places by the LCN bypassed local control and, given the difficulty in assessing its impact on local provision, contributed to the over-provision. In the first year of the programme this was heightened by the understanding amongst local staff that they would be consulted and given information on such schemes. In these terms it is not surprising that their calculations proved so inaccurate.

As well as this, the expectation that employers would use YTS to cover employed young people was based not only on their acceptance of the scheme, but on their management of it. When this degree of employer involvement did not emerge, and with the use made of private, independent training organisations and groups, the numbers of places needed was out of line with the demand. In Leicester it was estimated that Mode A provision was over-estimated by as much as 40% (Suddaby 1984). Private training organisations did not attract substantial numbers of employed young people to their
schemes. As well as this, all three areas reported an increase in the numbers of young people entering work. This was put forward by the government as the main explanation for the low occupancy rates of the YTS.

Over-provision was important not only for its longer term consequences (1) but also because it created a situation of uncertainty for managing agents in the first year of operation. In Leicester, managing agents expressed concern about the difficulty in operating schemes effectively on a year-to-year basis, particularly in the first year when they were aware that some schemes were to be axed and others considerably cut.

The extent to which local TD "planned" any of the places would depend both on their knowledge of the local labour market and their ability to secure places in the 'right' occupational families. Many of the first negotiations were with local MSC 'contacts', often with organisations who had already provided training schemes such as TOPs courses for the MSC. In practice local TD's called upon certain well known (to them) employers and training organisations to run schemes in a particular OTF. Other nationally based organisations, (for example KBS, Link) which had run schemes in other areas branched out. As training organisations are an entity in their own right, their existence depended not on employers' demands for training, but on the MSC's. At the extreme this meant that the MSC's intervention into the training of school-leavers, whilst breaking the link between school-leavers and employers had replaced it with a rather haphazard means of determining training provision. This placed the MSC in a mediatory role without necessarily the information, expertise, or resources to provide an adequate (1) For example, it contributed to the erosion of Mode B provision and in some areas the discontinuation of some of the more innovative, off-the-track schemes.
system. In the first year of the programme local TD staff regarded themselves as quality control rather than the key factor in the management of training provision.

Organisational interests also played a part in the provision of places for all types of scheme. The interests an organisation has in running a scheme played an important part in determining its size. For example, a training organisation may have insisted on a certain number of places in order to either maintain its existence or make its participation in the YTS 'worthwhile'. This consideration could be applicable to employers as well as private or group training schemes, but is more crucial for organisations whose existence is entirely dependent on their training function. Consequently, private training agencies are prominent in areas of high unemployment because only there can they operate on a scale large enough to make it economically viable. They are unlikely to arise in industrial sectors or areas where employers can offer schemes, or in areas of low unemployment where the demand for YTS places is on too small a scale. Because of these considerations, the negotiations about the number of places on the schemes often centres around the organisation's 'break-even' point. The resulting size of the scheme reflects this rather than the need for any particular type of training.

In the implementation of the YTS, the MSC attempted to provide training through existing agencies wherever possible, attempting to locate 'spare' training capacity and encourage its use. In part this was based on the valid assumption that employers cut back on training due to the recession. However, this was not the only reason for spare capacity. It might also be available as a consequence of a decline in the demand for such skills. Although the Task Group Report acknowledged the decline in the demand for skilled labour, one consequence of the YTS was that it provided the means by which such provision could be retained.
This was the case in all three localities in industrial or occupational areas where the demand for skilled labour was in decline for structural reasons. The location of the older manufacturing industries in the North and Midlands meant that Leicester and Sunderland suffered disproportionately from this, for example, in their reliance on heavy engineering. In both these areas 'spare' training capacity was plentiful with both employers and training groups. The employers would usually have training centres running below capacity and the training groups would have suffered greatly from a reduction in the demand for apprenticeships. Both these localities had large numbers of engineering placements and in Leicester nearly all the major employers participating in the YTS, as local managing agents, came from the engineering industry. Moreover, in these circumstances encouraging employers to take on 'additional' trainees, surplus to their requirements, militated against the maintenance of a balanced provision of places, relevant to the general needs of the local labour market.

The implementation of the YTS at both the national and local level brings into question the degree to which the state can effectively intervene in the labour market. Of course, a concentration on one government programme ignores the impact of a whole series of other measures which must be seen in conjunction with the YTS. However, some of the key arguments concerning the form of state activity and the mechanisms of its delivery remain valid and contribute to a wider debate on both the limits of the state to compensate for the growing crisis of capitalism, and the need to consider the role of the state in the structure of the labour market.

The importance of the labour market on the outcome of policy must be seen in a rather tentative fashion because it is difficult to separate sectoral and national constraints on implementation from local effects. Inappropriate implementation at a practical and local level may in fact be a by-product of the process of delivery and the mechanisms
used. Further, it is acknowledged that specific local labour market conditions cannot be separated from labour market structure and national economic factors per se. However, given this, the local labour market generates conditions specific to a particular area and this is of some importance when considering both the structure of the labour market at a more general level, and the implementation of social policy.
CHAPTER TEN

MANAGING AGENTS, RECRUITMENT AND TRAINING PRACTICES

Chapter Ten considers in more detail the training and recruitment of young people on YTS. This looks at the way young people were recruited onto schemes and the use employers made of the YTS. This would seem to be important in the beginnings of any assessment of the effect the YTS may have on the recruitment of young people into work. However, and more central to the developing theme throughout this work, the way in which the YTS operates at this level is indicative of the kinds of barriers there may be on the intervention of the state into the transition of young people into work. Alternatively it may reveal the way in which the interests of capital are represented in the actual delivery of the programme. This chapter argues that the state does not have the ability to penetrate the selection criteria and subsequent recruitment of young people into work in the form in which YTS operates. This can be seen as an indication of the kinds of defences implicit in labour market shelters, the resistance of employers, and others to change and the inapplicability of implementing such measures in the institutional framework which essentially creates them.

EMPLOYER INVOLVEMENT IN THE YTS

The type of involvement of employers with YTS had some effect on the way in which the YTS became more or less geared to the needs of employers, and therefore the degree to which the YTS could be said to be a 'bridge' from school to work. For the sake of simplicity, the main forms of employer involvement in Mode A provision are dealt with through a discussion of different types of managing agent.

At the time of the study there were three main forms of employer involvement typified by three types of managing
These three types covered all the major schemes in Leicester during the first year of YTS. These types of managing agent were also found to be more or less prevalent in different occupational or industrial segments of the labour market. As well as coming about through the specific features of local labour market characteristics, they also broadly relate to a national organisational structure of training within different sectors. That is, they reflect the available resources or institutional provision of training both within a local environment and at a national level. However, as argued in Chapter Nine, this does not imply that they reflect a parallel demand for such training.

Employer Based Schemes

Employer based schemes where an employing organisation acted as a managing agent, accounted for nearly 40% of Mode A places in Leicester, a higher proportion in St Albans but very few in Sunderland. This included those places negotiated through the LCU. Employers acting as managing agents would typically retain control over all inputs into the programme. Although they often bought in at least a proportion of the off-the-job training element they would, more or less, control the content of such training. They normally provided all the work experience placements and usually controlled the recruitment of young people to the scheme.

(1) Local Authorities were not an important source of Mode A provision at the time of this study although they subsequently took on a much greater role in the management of YTS. Local Authorities not only run YTS schemes in their capacity as employers, but also act as managing agencies for groups of smaller employers.
Locally negotiated employer-based schemes were usually of a reasonable size, up to about 60 places, although there were some examples of local employers running small one or two place schemes at the time of the study. (1) As well as locally negotiated places, there were the LCU negotiated places. Many of these were one or two place schemes within a particular area, often in nationally owned service industries, for example, Insurance Companies, Building Societies and large retailing and distribution outlets. However, as well as the one or two place LCU schemes, some national organisations with large establishments put on larger schemes on a more autonomous basis. These operated in more or less the same way as the larger local schemes. As mentioned previously, in Leicester most of the larger employer based schemes occurred within the engineering industry, and typically the larger employer based schemes were in the manufacturing sector.

Within this type of provision there were no standard uses of YTS either as a method of recruitment or as a means of training even within the same organisation. Employers' perceptions and attitudes to YTS varied enormously. For some employers, especially within the engineering industry, YTS funding was a means of subsidising existing training arrangements within the company. In some such cases the scheme could be justified on benevolent grounds, for example, in its capacity to help unemployed young people. This was often the case where the company had no intention of employing any of the trainees at the end of their scheme. However, companies could benefit from running a scheme where a suitable training programme was already in operation. For example, a YTS could be run along similar lines to a first year apprenticeship involving few additional costs to the employer for taking on additional trainees. YTS then helped spread the cost of training and in some cases it allowed the

(1) Many of these were subsequently managed by private training agencies or consortium groups.
company to maintain its training function, which otherwise might have faced cuts. In the first year of YTS the additionality rule also worked in favour of some employers who were able to include in their recruitment of school leavers, trainees who had no connection with the scheme as a whole. It was not uncommon for engineering employers to recruit their regular technician apprentices as nominal YTS recruits, together with YTS trainees undergoing clerical or lower level engineering training.

In some cases, usually in those instances where the employees were not kept separate from the trainees, the employer had the ability to improve the training given to all young workers and enhance the skill level of all employees. This was more common for clerical trainees with employers and for the one employer-based retail scheme in the sample. In some of these companies the YTS had given more control to the Personnel and Training Department in their provision of staff training. Because of the MSC guidelines on training and the creation of trainee status, the company would be more prepared to allow trainees to receive off-the-job training. In almost all companies where the trainees were seen as potential recruits (either all or a proportion of them) there was a greater incentive to provide training in skills necessary for that company. The quality and relevance of the training could in many cases depend on the employer's motivation in setting up a scheme.

As well as the effect YTS may have had on the training of school-leavers, it had some effect on their recruitment. The availability of a pool of trainees gave employers the opportunity to recruit future staff from trainees. This could work in either of two ways. For example, an employer could appoint YTS trainees as members of staff throughout the year, as vacancies arose. The employer thus had a number of trained recruits to hand should the need arise. Alternatively, and especially in the case of apprenticeships, some employers used this 'pool' as a fallback to cover for
employees who left apprenticeships, or should the company require a larger number of apprentices than initially anticipated. This was particularly apparent in schemes where trainees and employees received fundamentally the same type of training. While this could be of benefit to trainee and employer alike, and was a move towards a new route into work, it would seem to have its limitations. It created the condition whereby an employer no longer had to allow for drop-out rate when recruiting employees. Eventually then it could lead to fewer school-leavers being recruited as employees.

The ultimate effect YTS could have on the actual numbers of school-leavers recruited could be marginal, creating only a different route from school-leaver to employee status. In extreme cases it would result in trainees being taken on instead of employees and replaced yearly. This point was often made by employers themselves who felt that it was an inevitable part of schemes such as YTS that relied on work experience for training. As one employer pointed out,

"...In real terms employers are going to get cheap labour and I think the full-time jobs that may have been there won't be because they know they're going to have a certain amount of bodies floating around the organisation." (Employer, clerical scheme)

Recruiting a number of trainees gave the employer the opportunity of screening them. The opportunities for work of those who were not recruited could therefore depend on whether the area of training and work experience they received was appropriate to the opportunities for work within the local labour market. In depressed areas and industries, such a practice may have been of little benefit to the trainees. This was particularly the case for those schemes which ran on 'spare training capacity'. Employers using YTS in this way often acknowledged the problems such trainees would have in securing employment related to their training,
but felt that it was a better alternative to unemployment.

There were some instances where the YTS seemed to have opened up opportunities for school-leavers. These occurred mostly within clerical occupations where an employer might previously have recruited an older and/or more experienced worker or asked for a higher level of academic attainment. There were a number of instances where this had happened though the overall capacity the YTS had to maintain this was unclear. Certainly however, clerical schemes appeared to have more potential for opening opportunities which had been available only to 'experienced' labour. In this repect YTS was seen as the "return of the office junior".

There were employer based schemes where the YTS had genuinely been set up in order to train new recruits for work. In Leicester these were most likely to be schemes including clerical trainees. In one of the schemes run by a large engineering company, the clerical trainees were considered to be future recruits, whilst the engineering trainees were a possible, but fairly remote, 'pool' of labour. It appeared that where the employer considered the trainee as a potential recruit the training element of the course would often be larger than necessary (under MSC criteria) and the work experience would contain a higher element of training. However, in areas of a fairly low skill level the 'work experience' rapidly became work and the trainees would be as efficient at a particular job as the employees. This was thought to be more common in some of the small place LCU schemes, particularly in semi-skilled work. It was often these employers who felt young people were negative about the YTS.

Only in one employer-based scheme were the trainees not separated from employees and in this case the scheme operated as an enhanced training programme where potential recruits were screened for suitability. In most companies where trainees were to be offered employment, they were usually to
be given jobs at the end of a scheme and retained trainee status until the end of the year. Employers would normally take trainees off a YTS to become employees only in instances where the vacancy to be filled was not conducive to the training element of the scheme or in other ways contravened MSC criteria, for example, in terms of hours, supervision and so on. This was more likely to be the case in semi-skilled work or in work which involved highly job specific tasks.

Training Groups and Associations

Training groups and associations provided slightly more than 31% of the places in the Leicester area in the first year of YTS. They occurred most commonly in the manufacturing sector, for example, in engineering. Although most schemes within this category were local, there were a small number of LCU schemes run through national employers' associations. These places were usually located with specific employers who would be responsible for the content and recruitment with the national organisation providing support.

In those sectors which still retained training boards, the board itself would often act as a managing agent at a national level, for example, as in the case of the CITB and HCITB. In such instances the places and overall content would usually be agreed through the LCU. The way in which schemes were run at a local level depended very much on the prior arrangements for training and recruitment. For example, the local CITB could either delegate responsibility to the local college for training or leave such arrangements to the employer. Training board schemes differed somewhat from those offered by training groups and associations in their management and organisation of the recruitment and training. In some cases they basically ran in a similar way to employer based schemes negotiated through the LCU.

Typically, an employers' association or training group would
have existed prior to the YTS and in some cases YTS and other MSC or LEA funds appeared to have prevented them from collapse. The employer involvement in the YTS depended on the relative autonomy of the training organisation. Though not always the case, the small group training schemes were often those with more direct links with employers and the larger schemes were those with more autonomy and weaker links with employers. Overall, group training schemes were usually larger than employer-based schemes.

In the less autonomous schemes, the relationship the training association had with the member companies often determined the size of the scheme and the content of the training. The employers' facilities were often used for both training and work experience, and the number of trainees taken on would often coincide with employers' demand for labour over a period of time. As a result a high proportion of the trainees could expect to be offered work during or at the end of the scheme. In these instances, the training schemes had become a new route into the industry and were used for the training and recruitment of school-leavers. Both the content of the scheme and the training emerged in line with the training needs of a particular industry or group of employers.

These types of scheme have often arisen in occupational or industrial areas which have traditionally suffered from skill shortages, high labour turnover and often a lack of commitment to training on the part of individual employers. They are also more common in semi-skilled occupations than in skilled occupations where training may take longer than that allowed within the timescale of a YTS place. For example, in both footwear and knitwear manufacture, there was a cut back in training by many firms. Small firms were well known for not training at all and recruiting only experienced labour. In these cases, the YTS was seen as a means of providing employers with the funds and, through the training association, the facilities to train future employees. In
part, the problem these schemes had was not how to attract employers to the scheme, but how to attract trainees. They commonly complained at the injustice of not being able to attract enough trainees when all those who successfully completed the years training would be guaranteed employment.

At the other extreme, the training group had become more autonomous and was not directly responsible to member companies. These training groups are common throughout the country, especially in the engineering industry or any sector where training may require large capital investment in machinery and it is therefore financially beneficial to share training costs and facilities. In organisations such as these the YTS was primarily the responsibility of the training group and the member companies were used to provide work placements. Often, however, the group had to locate non-member companies willing to participate in order to provide sufficient placements for work experience. The relationship employers, both member and non-member, had to the scheme was less direct.

The number of places allocated to the scheme was negotiated between the local MSC office and the training group and was not necessarily a response to the needs of employers either in terms of its content or the number of young people it trained. The number of places provided, might in these conditions, have been a means of ensuring the continuance of the training group, which although beneficial to the organisation often led to totally unrealistic numbers of trainees being recruited within the industrial sector in which it operated. This was apparent in the manufacturing sector in Leicester, where the majority of places were provided by engineering employers and training associations. Altogether, more than 400 places (nearly 20%) of YTS provision in Leicester could be accounted for by engineering schemes. This was despite a continuing decline in the demand for labour below technician level in this industry and an acceptance that in current conditions trainees would not find
employment in this field after completing a scheme. Another area where the provision of places appeared to be entirely out of line with the trend for employment was in vehicle maintenance. In this particular case, an overprovision of places was not uncommon in areas with low rates of unemployment. In industrial sectors which had suffered the joint effects of sectorial shifts, recession and changes in work organisation the resultant decline in a demand for skilled and semi-skilled labour was not matched by a reduction in the willingness of training organisations to provide training for it. This situation was noted not only in Leicester and Sunderland, but also in St Albans.

The lower degree of involvement by employers limited the extent to which the scheme could operate as an entry into work, particularly when the number of trainees exceeded employer demand. This was particularly so in the engineering training group schemes, which already competed with similar schemes run by some of the larger engineering employers in the area. Only a small proportion of employers would recruit through the scheme and then fewer still would be taking trainees on for further training. The capacity such a scheme had for providing an alternative or new route into work depended on the opportunities for work by which the number of training places was negotiated. It is possible that the autonomy the training group gained in relation to its member companies is indicative of the decline in the demand for the type of labour for which it trained. In this instance, the YTS would not be expected to have much impact on the recruitment of school-leavers into the industry unless it was more firmly geared towards the current labour requirements of that industry. It is also difficult to argue that such training constituted 'training for stock' and is in the longer term interests of capital. As these schemes reported a lower level of motivation amongst trainees it is also doubtful whether the scheme "contained" the problem of youth unemployment or effectively maintained the primacy of the work ethic.
Private Training Agencies and Consortia

Private training agencies accounted for approximately 27% of places in the Leicester area. Most of these fell within the clerical and retailing occupational groups, although transport services was also an area where they were present. Private training agencies typically arose in sectors of the labour market where there were large numbers of small employers who did not form a cohesive group, and in areas of high unemployment where the level of funding would be large enough to warrant a private training scheme. Most of these agencies were national or at least regional organisations and all had well established training links with the MSC.

As with the more autonomous training group schemes, the number of places allocated to a training agency could be unrealistically high as set against the potential demand by employers for such training. The size of such schemes was not usually controlled by employers.

A similar type of scheme was that run by a consortium, often a collaboration between a training provider (college of further education, private organisation or local authority) and a group of employers usually with one or two large companies having some involvement. Most consortia ran on similar lines to private training organisations and were often organisational devices for allowing colleges to run schemes - under the auspices of an employer or group of employers. In practice the majority of employers offered only work placements and had little say in the overall running of the scheme. Although such consortia were in operation in the Leicester area in the first year of YTS, they have subsequently become much more important in the running of YTS schemes.

Private training agencies would not, as a rule, operate small
scale schemes. Thus, in Leicester, private training agency schemes were, with one exception, between 50 and 100 places. Areas with a higher rate of unemployment would have even larger schemes, and in areas such as Sunderland where private training organisations were responsible for a large number of YTS places, the schemes were often over 100 places.

Most of the organisations obtained employers' co-operation in their scheme by canvassing for work placements. Although agencies which had been operating in the area for some time may have had contacts, for whom they provided training services, these were not usually sufficient to meet the demand for work placements. Most of the schemes had some difficulty in obtaining placements and there was some uncertainty as to their quality. Managing agents were often in competition with each other for work placements and trainees.

Employer involvement in the scheme was usually fairly marginal, limited to providing work placements. Although some employers did offer jobs to the trainees, usually on completion of the course, it was not clear what proportion of trainees obtained work offers or work in this way. Neither was it certain whether there would be a continuing trend of offers of work as many of the participating employers were small and could not be relied on to recruit annually. However, these schemes could create a new route into work by introducing trainees to employers, providing the opportunity for screening. Despite the uncertainty of such a route, managing agents reported that many trainees on these schemes saw the purpose of the scheme as giving them an opportunity to obtain employment through their work placement. For the same reason, many trainees were not moved from one employer to another unless they required a different work situation.

One of the unintended consequences of these schemes could be a reduction in employment opportunities. Through their organisational relationship to employers, private training
agencies, and the more autonomous group training associations could well be providing employers with a means of substituting labour, as was the case with the YOP. As this type of organisation covered approximately 250 employers (or placements) in the area and substantially more in the Sunderland area, the extent to which it could provide a route into work, or actually reduce opportunities for employment was and still is of some importance.

The training element of the scheme was not usually under the control of any employers, and consequently the YTS was not used by employers as a means of providing specific off-the-job training for future recruits. Neither were the employers subsidising their training costs although the potential to do so was there. However, employers offering work placements would have the opportunity of training without incurring the labour costs, and this could be the motivation for participating in the scheme, rather than employing a school-leaver, or adult worker.

The above typology of schemes would seem to be relevant to several of the themes developed throughout this thesis. In the first place it demonstrates the extent to which the way the scheme was organised effects its relationship to the labour market. As can be seen, even allowing for the effects of unemployment the actual structure of the scheme is unlikely to recreate the potential opportunities for work. It is not even likely to ensure that training in vital skills is carried out effectively. In Sunderland, given the high levels of unemployment it may be expected that provision of training under the YTS would not match exactly the demands of labour. There is always going to be a surplus of labour in this situation. To a much lesser extent this is also the case with the provision of YTS places in Leicester. However, even allowing for this the
organisation of the scheme is not conducive to the opportunities it offers adequately reflecting the potential state of the labour market. At best, the concentration of places in declining industries would appear to reflect an optimistic forecast of the likely recovery of the manufacturing sector, particularly heavy engineering. At worst, it is more likely to be used as a crutch with which employers are able to subsidise the training of recruits by using YTS funds to keep training centres upon, or even use YTS as a vital source of free labour.

Second, however, it shows the potential effect of locating YTS training provision within available training resources. Often these 'available' training resources are in ailing industries or occupational areas where employers have not, as a rule, had any commitment to post-school training. In the latter case 'training resources' have centred upon the ability of private training agencies to develop rapidly into large training schemes. In neither case are decisions on the size of schemes made purely on an analysis of potential labour market demand.

The overriding point here is that the provision of YTS places is not actually linked to potential or current labour market demand. Whilst initially intended to be 'employer led', the actual schemes were mainly set up by organisations outside or on the fringe of the local labour market. There was no compulsion for employers to participate or fund any places. The YTS was not, in effect a direct intervention into the labour market so much as a grey area between school and work which allowed state funds to be used to aid the crisis faced by individual employers or segments of the labour market. The distribution of YTS places was a product of the bargaining of both national (through the LCU) and local groups. The way in which this was translated in places at a local level makes the longer term objectives of the scheme questionable, although, the over provision of places did not mean that all schemes and all places were irrelevant to the
availability of work. Implicitly the organisation of the scheme allowed a differential response both between and within industrial and occupational sectors.

There can be no doubt that employers benefitted from the scheme through offering work placements to trainees. At a very basic level they received free labour for the duration of a year. Even the managing agents who attempted to 'weed out' the more unscrupulous employers could not ensure that substitution of labour did not take place. Others were not so concerned and felt that this aspect of the scheme was not only inevitable but an integral part of the 'training' for work, regardless of the longer term motivations of employers. However, in terms of the YTS as an intervention, its effect would then be seen more as part of a strategy to take young people out of the labour market and lower their relative wages, rather than as an attempt to provide the beginnings of a route to the labour market based on vocational training provision.

Recruitment onto a Scheme

The method by which school-leavers were recruited onto the scheme would appear to have some consequence for the impact on, and the redistribution of, employment opportunities and the inequalities within the labour market. This section attempts to consider the levels of recruitment to the YTS and the means of recruitment. A problem with analysing the recruitment onto the YTS appeared to be that, like levels of unemployment, the places allocated to a scheme would determine the methods of recruitment. As the supply of places almost always exceeded their demand, coupled with the need for managing agents to fill all available places, the recruitment process was less selective than many of the managing agents anticipated. In some schemes managing agents accepted anyone who turned up for an interview. In most cases this could be a beneficial aspect of the first year.
scheme. However, it was unlikely to continue into subsequent years and as is argued later, may not significantly affect recruitment patterns in the long run, despite the objective that the YTS should not be selective.

However, if at a first glance recruitment to the YTS was relatively open, under somewhat closer scrutiny, this was not always the case. Managing agents and employers did not have a system of open access and not all potential recruits were accepted onto a scheme. Even those schemes which claimed open access, tended to operate their own methods of selection when placing trainees with employers. Whilst entry onto a scheme was open, entry to specific segments of the labour market was still relatively determined, but by less overt means.

There were at least two and more likely three levels of selection into employment or unemployment through the YTS. These are given below in an attempt to illustrate the way in which the YTS could maintain existing divisions and inequalities within the labour market.

The Careers Service as Gatekeeper

As mentioned in Chapter Nine, the role of the careers service as allocaters and advisers to YTS places was not as clear cut as anticipated. Despite this they constituted an important link between school-leavers, the unemployed and YTS places. In some areas there was a virtual monopoly over the recruitment process and certainly where the careers service had sufficient information they were in the strongest position to advise and give information to potential recruits. In a rush to attract YTS trainees, many schemes which attempted to by-pass the careers service ultimately turned to them for help in attracting sufficient numbers.

School-leavers applying to schemes through the careers
service were channelled into 'suitable' schemes according to the aspirations of the school-leaver, but also their perceived ability and suitability for different levels and types of schemes. This was often, but not always at the request of a managing agent for a particular level of trainee. The effect of this was somewhat lessened by the over-provision of places for that year, but could take on a more important role later. Managing agents frequently referred to the role of the careers service in the recruitment process.

"...We must accept anybody who comes mostly, but the people who came along were pretty well presented (and had) a level of ability that would be normal for...this area of work...I mean lower ability students are sent elsewhere anyway...there is a sifting out that is done at the careers service."

(PTO, Clerical Scheme)

There were distinct advantages and disadvantages to this gatekeeper role. The careers service did have some influence over the managing agents and employers and were in some cases able to mediate unrealistic demands by employers for a certain level of young people. They also had a much better understanding of the overall objectives of the YTS and were more likely to attempt to enforce some kind of commitment to equality of opportunity often with beneficial results.

However, on the other hand the careers service had their own set of prejudices with a tendency to racist and sexist channelling. This was more significant at the lower academic levels with school-leavers with a perceived disadvantage (for example, ethnic origin) being channelled onto Mode B placements. The high proportion of ethnic minority groups in Mode B and 'perceived' lower quality schemes could well be a result of this initial channelling.

The careers service acted as mediators between school leavers
and scheme managers and/or employers. There was a limit as to how far they could reasonably be expected to break down deeply entrenched prejudice in the labour market. The role of the careers service relies more on co-operation with employers than young people and in this sense they often became the means by which employers implemented racist or sexist recruitment policies. Even those individual officers who attempted to break away from this were effectively constrained by the position of the careers service.

However, it should be pointed out that some of the managing agents by-passed the careers service and many others used them in conjunction with other methods, so the effect of this initial channelling on recruitment to the scheme was by no means comprehensive. Overall, this was the means of channelling that would potentially give young people a fairer chance of getting onto a suitable scheme, mediating between employers and potential recruits. As the careers service had a reasonable working knowledge of the labour market, they would also be in a position to advise young people on the suitability of their choice. However, ultimately the careers service could only attempt to influence the demands of employers, they had little control in their own right.

Selection onto a Scheme

The second stage of recruitment onto a scheme was that of actually being accepted onto a scheme. The means by which employers or managing agents recruited were diverse so the path a young person followed before being given an interview might well depend on the route by which they applied to a particular scheme. Many 'interviewees' come through the job centre or careers service, and had already been through one process of selection even though this may not have been more than an interview to ensure they understood what the scheme was about. However, some of the 'applicants' had come through other means, for example, through response to a
newspaper advertisement or through direct applications. The first recruitment method was used by many managing agents and employers with LCU places though most of them did not achieve a very good response. The second was common where employers had a reputation for annual recruitment of school leavers and was more widely used by employers who had previously recruited apprentices each year. They used the 'remainder' of these applicants as a reserve stock who were subsequently offered a place on a training scheme. Though more common with employers, this method was also found in training organisations and some private training schemes.

Recruitment onto a scheme at this level was generally not as rigorous as it might have been for a job. All types of managing agent stated that they were more likely to accept a much lower level of ability than previously. Some felt positively forced into it though and were rather hesitant about the value of accepting young people who they felt were likely to get very little from the scheme, and who were unsuitable for the type of work the scheme was geared towards. As one employer argued,

"Some of them were totally unsuitable, some of them just didn't want to know or they'd left school with ungraded CSE's...now I know to an extent the idea of these schemes is to give the unemployables a chance but you can't put them in an office where you're relying upon them to do certain functions if they've not got that basic level of ability."

(Employer, clerical scheme)

This lower level of trainee was expressed in both academic and non-academic criteria. For example, employers or training agencies would often be prepared to accept both a lower level of academic attainment than previously, as well as trainees who they felt were poorly motivated. Employers did not expect the same standards for a scheme as they did for a job. However, there were limits to this openness and
if academic disadvantage could be ignored, non-academic criteria became more important. This was summed up by one of the managing agents who felt there was a limit to how 'open' they should be in their recruitment.

"We accept we can't be as selective as we'd like to be, but at the same time we've got a business to run...I think its relevant that they learn that certain standards of appearance and behaviour are necessary". (Employer, retail scheme)

Potential trainees for some schemes were vetted in terms of their presentation, especially where the work experience would bring them into contact with the public. This vetting was felt to be especially important by training agencies who felt that minimum requirements had to be fulfilled in order to gain the co-operation of employers.

"There was one person who came into the office with a mohican haircut, jeans painted on, he was obviously disinterested in the scheme...Now we're a private organisation, we have a lot of customers...to be honest with you in the first place no-body would have taken him on a placement and if they had've done they'd have taken him on unwillingly and we can't use our customers like that." (PTO, clerical scheme).

Consequently, the schemes were subject to some kind of selection, either in terms of the minimum level of ability needed to attempt the training programme, but perhaps more commonly in terms of the perceived 'employability' of a young person. These particular selection strategies, may appear to be realistic and the YTS as a whole does of course offer alternative, more 'suitable' schemes for such young people. However, there is a danger that this kind of selection could become more important in subsequent years when an over-provision of places is not a factor influencing
recruitment to a scheme. An indication of this was found in some of the schemes in Sunderland where minimum qualifications were considered to be important by some managing agents, particularly in clerical training schemes where typing was considered to be an essential entry qualification. It was also more common in any scheme which offered the potential of apprenticeship training and in these situations the entry onto a scheme had the potential of being highly selective, a factor which seems to undermine the philosophy of the programme as a whole.

Selection Within Schemes

A third level of selection occurred within a scheme. This level of selection was more obscure than the first two but was significant in its role in allocating young people and subsequently determining their route into work/unemployment. Partly this arose from the schemes' ability to be used as a screening process. However, it also arose because of the capacity most schemes had to lead off into several options. For example, employers would be prepared to accept a generally lower level of trainee to employee for similar types of work, but would select within the scheme. Training organisations often operated an informal system of selection when deciding which trainees would be 'most suitable' for which placements. This is a much more subtle type of selection based on the perceived ability and motivation of a trainee. A group of trainees could be taken on at the beginning of the year and 'sorted out' according to their potential ability, motivation and suitability.

On the surface this is no more than a prolonged selection procedure. However, it opens up the tendency of the YTS merely to reinforce the recruitment practices of employers, allowing the YTS to appear to have open access (albeit to a somewhat limited degree initially). In private training organisations, as shown above, it formed the basis for
channelling young people onto particular placements - fulfilling the role of the YTS of being shaped to an individuals' need and capabilities. On a scheme which had the capacity to be a first year apprenticeship or a one year foundation course, it was the selection within the scheme which was important, not the selection onto it. Moreover, this type of selection, in some cases appearing also as a type of self-selection - explains the predominance of gender stereo-types within the schemes which on the surface appeared to be based on equality. The relatively open access to a scheme might merely mask a more refined 'trial and error' approach to selection. It might not necessarily open up opportunities for school-leavers.

Examples of this could easily be found in schemes which span occupations that traditionally have become stereo-typed, for example, catering. It was quite usual on these schemes to find the males in work placements which had the potential of leading onto positions as trainee chefs or managers, yet to find the females on the same scheme working as waitresses. Likewise in clerical and retail occupational schemes, the females appeared to be in work placements in more routine clerical or sales work, males in more career orientated work. The major exception to this was the case of ethnic minority males who often had a disadvantaged position in the labour market, relative to both white males and females. The situation for females of ethnic origin was similar.

This kind of selection was also apparent in private training schemes where the work placements were selected by the organiser. The 'best' young people were usually put on the 'best' placements, and this subjective categorising allowed discrimination to take place on a large scale. In effect the scheme organiser might have felt under some pressure to supply trainees who had the necessary skills and ability.
Potential Effects on Recruitment and Training

Taking an overall view of the impact the YTS may have had on the recruitment of young people into the labour market a few general trends emerged. Whether intended or not, YTS was seen by most employers and trainees as an alternative to unemployment and took second place to a 'real' job. The separation of jobs from training schemes limited the extent to which the YTS provided a comprehensive route into work. Employers were hesitant to include their employees under the scheme and frequently took trainees out of the scheme when they employed them. Neither of these practices was beneficial to the overall objectives of the YTS.

The over-provision of YTS places, coupled with what appeared to be an upturn in job opportunities for school-leavers, meant a low occupancy rate on schemes. In Leicester, about 40% of the places were unfilled including those negotiated through the LCU. No single factor explains why some schemes were more under-subscribed than others, though it did appear that schemes passed by the Area Board late in the summer had the lowest occupancy rates. Some of the larger private and group training schemes were running with only a 59% occupancy rate. The schemes with the most serious difficulties in attracting trainees were those offering training within manufacturing industries such as footwear, knitwear and hosiery. These were also the schemes which in Leicester, carried the guarantee of a job on completion of training. Undersubscription on schemes which were in direct competition with LCU negotiated schemes was also common, especially in clerical and retailing schemes. However, it should be pointed out that the majority of the schemes had vacancies for trainees and undersubscription was a problem for most of them. The increase in school-leavers entering employment had no effect on the number of employees covered by the YTS. This overprovision obviously had some effect on the recruitment of school-leavers onto the YTS and meant a greater flexibility in the recruitment procedures of most
managing agents. However, this was only recruitment to a scheme and might not necessarily have had a great effect on the actual recruitment into work.

Many managing agents, particularly in the more skilled occupational segments, took on trainees whom they regarded as being below the standards reached by their normal recruit. In some occupational areas the better trainees were found to be suitable for employment despite their lower level of academic attainment. In such instances the YTS, through its screening function may have provided an alternative entry into some jobs, which by-passed usual recruitment criteria and practices. However, in other schemes, particularly engineering or occupations for which a higher level of skill was needed, the trainees were not always considered to be 'suitable' for employment and/or further training. The extent to which the YTS could provide a route into work for such school-leavers would appear to depend very much on the occupational segment within which a scheme fell.

As the purpose of the YTS was to provide a year of basic training, this obviously excluded whole areas of employment from its scope. There were consequently few instances of technical apprentices, higher qualified white collar work and traineeships above craft level. It was not clear, either, how far the YTS affected entry into craft work except perhaps in the construction industry. For this reason, the possible impact the YTS may have had on the youth labour market may have been to create a route into work for the lower skill levels, especially for manual work, particularly without a greater emphasis on progression into a second year of training for those types of occupational or industrial areas where this would be applicable. For example, many trainees undergoing training relevant to the first year of an apprenticeship had little opportunity to enter a second year of training. Overall there appeared to be little scope at that time for progression even for those trainees who found work. Consequently, entry onto a scheme which followed the
first year of craft training was not equivalent to entry to a skilled occupation or training. The scheme might have initially appeared to loosen the entry requirements to skilled work without actually having a significant effects in the long run. Because of the extent to which selection appeared to take place across schemes types, for example, between Mode A and Mode B provision, but also and more covertly within schemes, the rigidities and inequalities of the labour market may have remained.

A significant effect of the YTS for the labour market for young people was to lower the wages of school-leavers. This was obviously the case for those unemployed 'trainees' on the YTS whose 'real' entry into work or unemployment had been postponed. However, this would have had an effect on the wage level of employed school-leavers, a situation which was reinforced by the Young Workers Scheme. For this reason, school-leavers may have competed more effectively with adults, in some parts of the labour market due to the relative fall in the cost of their labour, making it in many cases 'free'. This may have created some openings for school-leavers but could have had an adverse effect on older school-leavers and young adults who would have been at most risk of being displaced.

Most of the managing agents running a scheme did not consider this use of the YTS to be at all problematic. This is summed up well in the following comments:

"..I think that the answer is on the whole the placement companies aren't looking for cheap labour at all...they have a genuine need for someone but they just don't have the money to pay them, so in one respect it's cheap labour, it's free labour. That's good." (PTO, clerical scheme)

"If you've got trainees floating around the organisation...there has to be a certain excess of
work, wherever they go for them to do, otherwise they'll be sitting there twiddling their thumbs."
(Employer, clerical/engineering scheme)

In comparison to St Albans and Sunderland, the YTS in Leicester had more success in providing a route to work. In St Albans, although the majority of trainees would get jobs during or after the scheme, this was more a function of the prosperity of the area than the success of YTS. The actual impact the YTS had on the labour market was marginal and the majority of school-leavers still found work through more traditional means. In Sunderland, the YTS was of paramount importance in providing some form of work or work experience for the majority of school-leavers in an environment where few opportunities existed. However, simply because there was no work, the YTS did not function as a route into employment on a particularly large scale.

Overall, no single pattern emerged in terms of the impact the YTS had on the recruitment of school-leavers into work or employer involvement in the scheme. It appeared to depend primarily on the occupational or industrial segment within which the scheme occurred, coupled with the level of unemployment. As the scheme was in its first full operational year at the time of this study, there would be a limit to how far actual recruitment methods could be expected to change in this time. There was some indication that if the scheme continued - and particularly if the client group was broadened to include more of the employed, then the YTS could have a greater impact on the recruitment practices of employers. In the first year of operation however, the YTS appeared to be very much at the margins of established recruitment procedures, or incorporated within them.

228
CHAPTER ELEVEN

TRAINING AND THE REDEFINITION OF SKILL

The YTS was launched as a training programme and has been treated throughout this thesis as an intervention by the state into the training arrangements of young people. This chapter looks more seriously at the issue of training within the YTS, and asks whether the state is actually intervening in the training arrangements for young people through the funding of the YTS.

There are two main issues here. First, the extent to which capitalism fails to reproduce future labour power. In this respect, the state is required to provide the means - in this case training - in which capital fails to invest. Increasing state intervention in training is interpreted as a response by the state to the crisis of capitalism. Its role is increasingly to guarantee the conditions necessary for accumulation. The specific form of such intervention would hence be in accordance with tackling such problems as perceived skill shortages and the present and future 'needs' of industry. The overall function of social control would necessitate that state intervention into training took place within a much broader remit. This leads onto the second issue of whether state intervention can be reduced to the response of the state to the inherent contradictions and crises of the capitalist mode of production at the level of skills training. It is linked closely to the use of education/training as a means of social control. Current training measures can be seen, on the one hand, as an attempt to provide the necessary skills within the labour force and on the other as an attempt to maintain social cohesion. This would necessarily include tackling political as well as economic problems.

The differing 'needs' of state intervention, coupled with the actual inadequacies of the policy making process, produced a
set of objectives which could not be realised. This chapter attempts to show the differing interpretations of skill training and the practicality of a scheme such as the YTS. It attempts to relate these to the current ideology of training and skills. This illustrates the limits to state intervention, and the way in which the state is itself a part of the policy process.

Training Components of YTS

For the purposes of training different types of skills were identified by the MSC for inclusion into the YTS. These were as follows:

(1) Product Skills and Occupational Training Families

The training schemes were to be organised around a 'family of related skills'. These skills, called product skills, are those associated with job specific tasks such as using a specific piece of machinery, typing to a certain standard or plastering a wall. Training in these tasks is job specific training although in some cases the skills are specific not only to an industry or occupation, but to a firm.

The MSC saw the need to broaden the level of product skill training for new entrants to the labour market. The training of young people on the YTS was originally to be organised into courses of training which fell within training families, called Occupational Training Families (OTFs). These OTFs were intended to provide the basis for skill training so that a programme of training under YTS should be no narrower than that of an OTF. Although research and development of OTFs was not complete at the time the YTS was launched, there were eleven such divisions at the time preceding the launch of the scheme. These were as follows:

(a) Administrative, Clerical and Office Services

230
(b) Agriculture, Horticulture, Forestry and Fisheries
(c) Craft and Design
(d) Installation, Maintenance and Repair
(e) Technical and Scientific
(f) Manufacturing and Assembly
(g) Processing
(h) Food Preparation and Services
(i) Personal Services and Sales
(j) Community and Health Services
(k) Transport.

(2) Process Skills

Process skills, as opposed to product skills, were considered to be far more abstract and not job related in character. These included virtually any 'skill' which would lead to a greater awareness of the environment and capability for dealing with life and work. The content of these process skills included such aspects as attitudes, values and knowledge which were, in theory, transferable across all the OTFs. They related very much to those skills or attitudes which would make an individual more effective in work, for example, motivation, adaptability and commitment.

Process skills were to be included in the core element of the YTS mainly within the personal and life skills component although it was widely acknowledged that such skills could not be taught or learnt by traditional methods. To a great extent the importance of process skills was embodied in the fabric of the whole programme, and in particular, in the work experience component.

(3) Core Skills

The third element of skill training concerned the acquisition of competence in core skills. There were five 'core' skill
areas; numeracy, communication, problem solving and planning, manipulative ability/dexterity and an introduction to computer literacy. These core skills were to be incorporated into the programme as separate elements of the off-the-job training component, although the skills learnt would also be relevant to the work experience part of the scheme.

A course of training under the YTS was to include all these elements with the training occurring through an OTF. This in turn would determine the type and range of product skill training. The process and core skill elements of the scheme were seen to be equally appropriate across all OTFs. Skill transferability, an important concept within the YTS and new skill training, could be taken in two ways; first as those skills which were relevant across all OTFs and second, as skills which were relevant within a family of related skills. The training content of YTS was an attempt to move away from purely job specific training in favour of a broader base of training. It was also an attempt, given that the majority of YTS trainees were unemployed, to make their training as relevant to as many sections of the labour market as possible. Specialisation, at least for the unemployed, was to be actively discouraged.

Training Provision within YTS

The aim of the MSC to provide a broad foundation of vocational or pre-vocational training through the YTS did not become a reality for many schemes in the first year of operation. Much of the training in first year schemes was a rehash of established training, usually but not always less concentrated. A study of the training programmes revealed a certain amount of interpretation as to what 'broad' training amounted to. In practice, it was difficult to consider the training of young people under the MSC definitions of skills and OTFs. Many of the managing agents were unaware of the
MSC's definitions of the different types of skills, and consequently the emphasis put on any of them appeared to depend on the organisational interest of the managing agents in relation to the occupational segment at which they were aimed. OTFs were not readily used as a mode of skill training by managing agents. Their main use was as a means of categorising schemes by the MSC and careers service.

Managing agents were not usually aware of the different types of skill, such as 'product' or 'process' and often did not see the relevance of non-specific training. When asked, few of them were aware of what the MSC meant by 'transferable' skill. From the point of view of the MSC, managing agents already felt overwhelmed by the administrative work generated and were not generally responsive to further reading matter or similar MSC outputs intended to aid managing agents and explain the concepts behind YTS.

It is worth elaborating on this as it is of some consequence for the way the YTS emerged and is being continued. There was a certain amount of difficulty in the dissemination of information between the MSC, careers service and employers. This led to a certain amount of confusion as to the objectives of YTS, or even what it was. Managing agents frequently expressed confusion over the whole process, and as the following two extracts illustrate seemed rather baffled by changes in objectives,

"It all comes under YTS next year ... Thats a bit strange really because the NTI scheme's totally different in concept to the YTS schemes ... its a reversal of the format." (PTO, clerical scheme)

and likewise the following employer found MSC criteria too abstract,

"Its all very well how they (the MSC) put it, what they want from a course, but to actually transfer
it to what they want an employer to do is something different." (Employer, clerical/engineering scheme)

There are two important points to come out of this. It is, in the first place, difficult to transmit MSC objectives for a particular scheme. Presumably effective monitoring would negate the consequences of this and it could be argued that it would not really matter if those at ground level did not have a workable knowledge of MSC training concepts. Second, it was not always possible (if ever) for those training objectives to be extracted from abstraction to practicality. Even if this could be attempted, getting managing agents to accept MSC training criteria was another thing. As a general rule the MSC was regarded at ground level as a bureaucratic organisation with little "real" knowledge of training.

**Emphasis on Skill Training**

Given the above comments, some general points can be made on the training content of YTS in its first year. Employer-directed schemes, (i.e. those with a high degree of employer involvement), produced schemes which emphasised job specific or 'product' skill training. Organisations with less employer involvement concentrated much more on 'broad' based skill training. Despite the philosophy behind the YTS, most employer-directed schemes, especially where the employer acted as a managing agent, placed emphasis on the learning of product skills. In many such schemes the training was only broad insofar as it trained in more than one job specific task within a certain industry or occupation.

This was clearly apparent in many of the schemes operating in the Leicester area. A YTS in knitwear manufacture, run by an employers' association and offering 200 places, ran a three-month off-the-job training programme in knitwear manufacture before placing trainees in 'work experience'.
The whole emphasis of the scheme was geared towards the teaching of certain job specific tasks. There was, in this case, no doubt that the training was 'broad' as defined by the industry. Previously trainees would have received training in one operation, for example, lockstitching, overlocking or cutting, whereas now they were shown the principles of a range of operations. However, advantageous this might have been to an employer or trainee, the training within this scheme was not 'broad' in the way intended by the MSC. Neither was it broad in terms of the transferability of the training to the manufacturing sector as a whole. It remained highly industry specific.

In occupational areas where the training could be more diverse, for example, in clerical work, the training given by employers was often based more on the acquisition of specific skills such as typing, shorthand and book-keeping. Where the employer considered the trainees as possible recruits, the level of job specific or product skill training was likely to be higher. Often training under employers would be broader when the scheme was in no way linked to an employer's recruitment policy. However, even in these cases, employers still had a preference for 'product' skill training.

In comparison, schemes which had a lower employer involvement appeared to relegate the importance of acquiring 'product' skills in favour of more abstract knowledge and skill training. This could often be explained by the relationship of the managing agent to employers. Scheme managers in this situation felt that they could not meet specific occupational or industrial needs. The content of the skill training was therefore broader. However, given the need to train for a broader range of employers, there were certain product skills that could have had more emphasis. The fact that even in such cases no in-depth product skill training was undertaken was indicative of the different approach these schemes took to training, in contrast to the more employer-directed schemes. For example, all the major clerical schemes
appeared to replace 'typing skills' with 'keyboard appreciation'. In this case, the objective changed from teaching the trainees to type to a certain level, to a general appreciation of the use of keyboards in different contexts. This did not necessarily mean that the trainees did not learn typing skills, though they would not normally reach as high a standard as under employer-based schemes, or more skill specific training.

The attention a managing agent gave to broader based skills tended to depend on the type of managing agent. In those schemes which had some distance from the employers, the emphasis of the off-the-job training component centred around the personal and life skills, the guidance and counselling given to trainees and the acquisition of attitudinal skills and values conducive to work. The managing agents concentrated much more on the more abstract skills and qualities advocated by the MSC and usually had a more sophisticated method of evaluating progress. They provided, or were aware of the need to provide, a better counselling function.

In industrial or occupational sectors where the training had previously been at craft level, the YTS did not necessarily broaden the base of the training so much as dilute the level of skill training provided. Unless there was more emphasis placed on progression from YTS onto further training, there was a limit to which MSC training programmes could ultimately raise skill levels in these industries. For example, the largest engineering scheme in Leicester (240 places) run by a training group, put all trainees through what was essentially the EITB foundation course for first year apprentices. This foundation training, usually covered by apprentices in their first three months of off-the-job training, was no broader than a first year apprenticeship and in many cases included none of the specific training which followed this. Again the 'broad base' remained industry specific. With few trainees likely to be offered apprenticeships on completion of a YTS,
the overall effect would be either to lower the skill level of the available youth labour force if the trainees moved into skilled work, or improve the training of semi-skilled workers, if they found work as operatives.

Much of the training within schemes was based on traditional modules and programmes. There was little emphasis placed on future skill requirements or 'new' skills and in many cases this was because they were unknown or uncertain. The actual content of many of the schemes was based on the training which had taken place before, with certain additions made in order to meet MSC criteria. For example, a YTS course would tend to replicate established training courses and incorporate the required 'extra's' such as a social and life skills component and a short computer literacy course. This partly explains why such schemes did not embody MSC objectives, as they were only slightly modified versions of previous training courses. A large proportion of schemes run in Leicester by employers, employers' associations and training groups had converted existing training programmes into YTS, often without considering the wider objectives of NTI or the need to provide training for future needs. Schemes which were 'new', particularly in areas where PTOs took on the off-the-job training element, tended to be more innovative in their curriculum. This may have been because they felt able to write their own modules and training programmes relatively free from the requirements of any statutory organisation or validating body.

More abstract skills, life and social skills and the core skills were often undermined in schemes which revolved around the teaching of job specific skills. The inclusion of a social and life skill element achieved little where it was considered unimportant and taught as a separate element in a way which resembled 'general studies'. Often it had a low status in the eyes of the trainees and the trainers. The greater the product skill content of the course, the less likely the process skill element of the YTS was emphasised.
Certification

A substantial number of employer directed schemes placed more emphasis on the acquisition of qualifications and recognised certification. The off-the-job training was often geared towards recognised vocational courses and exams such as City and Guilds, RSA, Pitman, BTEC and sometimes more specialised courses. In some cases, employers appeared to favour more vocational qualifications such as RSA in favour of BTEC which they found 'too general'.

The value employers put upon certification appeared to depend on the industrial and occupational context within which the training occurred. In a traineeship which had quite tightly defined 'standards', usually laid down by employers' associations or more commonly training boards, the training would attempt to ensure that trainees had the opportunity of attaining these 'standards'. There was another side to this in that those trainees on schemes not attaining this 'recognised' level would be at a disadvantage, effectively blocked from further training. On the other hand, where the occupational category was either so diverse as to include a whole host of validating bodies, for example, in the case of clerical work, there appeared to be more scope for different levels of training and different types of certification.

The attitude that training should lead to some form of certification was apparent in many of the schemes, not just those which were employer based. This was paralleled by attitudes within the educational sector that training should lead to some type of qualification. Although there was evidence that schemes such as YTS were changing this view, it was difficult when trainers felt that, in the absence of secure employment, trainees should have something to show for their efforts. As the industrial co-ordinator within an FE college observed,
"Staff still want to use accreditation as the backbone of a course and can't relate to it if it doesn't seem to "give" the young people anything at the end."

This attitude was reinforced at the time by the uncertainty surrounding any form of MSC certification or profiling. Many of the trainers also felt that the trainees themselves had difficulty in taking non-examinable training seriously. Employers who themselves valued vocational qualifications were apt to feel that it was only fair to a trainee to give them the opportunity of accreditation of a recognised form.

In comparison there was much less emphasis on the acquisition of recognised qualifications and certification in schemes with less employer direction or no formal standards, particularly in private training organisations. Where examinations were taken they were usually on the initiative of individual trainees and outside the scope of the scheme. This was particularly the case in private training organisations where the funding for such training was not available. However, the degree of emphasis on certification would very much depend, as stated above, on the context of the training and schemes which were based around unskilled and semi-skilled work, for example in knitwear, and in many retailing placements, would not emphasise qualifications. It is probable that this is a reflection of the potential skill level of an occupation coupled with the traditional route into such an occupation. An important exception to this, and one that suggests that the provider of the scheme may be an important factor in this, is the case of clerical training. Even though the types of courses and qualifications are diverse, all employer based schemes attempted to put their clerical trainees through some kind of recognised examination and train them up to a particular recognised standard. This was not commonly found in private training schemes and could well put these trainees at a distinct disadvantage.
Work Placements and Training

In schemes run by employers, trainees were usually given an integrated course of training by the employer. There was some diversity between employers in how off-the-job training was organised. Some did all the training themselves whilst others bought in the complete off-the-job programme. In practice most employers mixed the two. However, unless they had well developed and still functioning training centres, all sent trainees to colleges or out of premise training for part of the course. The net effect of this organisation of training was that the trainee effectively 'belonged' to the employer, occasionally going out for off-the-job training.

On the surface, this would appear to be little different from those schemes which operated the other way round. In this instance the trainee 'belonged' to the managing agent but was sent out for work experience. However, it did appear that although all trainees seemed to recognise the importance of work placements as a screening route into work in non-employer directed schemes, there was a bigger division between the work placement and off-the-job component of the scheme. This could possibly be the result of the lack of job specific training given, coupled with the absence of any recognised certification attached to the off-the-job training element of the scheme.

Though the study did not assess the relative importance of different types of skill training as a factor in obtaining work, it appeared to be a perceived factor. As mentioned in the previous chapter, young people often found the work experience as a more important factor in their potential recruitment to work than the training they were receiving. This was supported by many of the managing agents. It did, however, reduce the potential impact of the training element of the scheme. Higher quality training would seem to be of
less significance than a scheme which brought the trainee into proximity with a potential job. This is supported by the work of Raffe (1981) who argued that the opportunity for gaining a permanent job depended more on the context in which they received training rather than the content. In the context of YOP it was found that young people on WEEP's, usually considered to be of a lower quality in terms of its training potential, had a higher rate of subsequent employment than other types of scheme running under YOP.

Labour Market Segments and Local Labour Markets

It is difficult to consider the provision of training without reference to the industrial and occupational segments of the labour market within which such training occurs. The requirements for certain types of skills is likely to be reflected in the types of schemes provided. The YTS mirrors existing conditions within the labour market with respect to the demand for skills, different types of labour and the ability to substitute one form of labour (older workers) for another (school-leavers). The YTS is likely to be influenced by the prevalent conditions and rigidities within the labour market as this affects training for skills.

The content of training would obviously vary from one scheme to another to take account of different occupational and/or industrial sectors within which training took place. However, product skills were emphasised far more in employer-directed schemes. This was especially the case when the employer was using the YTS to recruit future employees. In some schemes the emphasis placed on skill training of this kind could be explained with reference to already established training programmes rather than a clear demand for the skills being taught. A tentative conclusion at this point would be that employers continued to put emphasis on product skill training, and considered foundation training only for
product skills, on a narrow range. The actual training given could still be fairly job specific.

However, not all product skill training could be considered outdated or irrelevant and the training content of the non-employer schemes would not necessarily be more relevant. In some cases the content of training within the organisations that focused on more abstract skills appeared to be determined by financial constraints and the size of the scheme. Private training agencies did not have the capital resources or the funding to provide high level product skill training. Many of these organisations actually ran New Training Programme schemes which had an increased funding and a longer period of off-the-job training (usually 26 weeks). Under these conditions, the schemes concentrated more on product skill training and placed more emphasis on certification. Some of these managing agents considered the quality of the NTP schemes to be better than the schemes they were running under YTS. They were better able to combine different skill training with guidance and counselling facilities. Many of these schemes operated on a 'batch' system, alternating groups of trainees between work placements and off-the-job training, in order to maximise their funding. It is possible that the sheer size of some of these schemes reduced the capacity for guidance, counselling and monitoring work placements.

The different emphasis put on the acquisition of skills between schemes was influenced by the occupational training sector within which they operated. In manufacturing industries it may still be the job specific skills which are valued by employers. As the majority of employer based schemes took place within this sector, this could explain the emphasis on product skills. Conversely, non-employer directed schemes occurred in occupational sectors where, attitudinal and more abstract skills may be more highly rated by an employer for example, in retailing and the service industries. This would, therefore, be a major factor in
determining the training content of a scheme. However, clerical trainees, were taught highly job specific tasks in employer-based schemes, and more attitudinal skills in non-employer directed schemes. In part, at least it seems that organisational interests and financial constraints also affected the training content of the schemes.

The funding of the YTS assumed a consistency of training costs across industrial and occupational sectors and between skill levels, which was obviously not the case. Higher grade training tends to cost far more than basic training in terms of its funding level. There was a limit to the quality of training that could be provided by existing managing agents under the funding arrangements of the first year. This effectively reduced the off-the-job training element of the scheme to the minimum of 13 weeks (for Mode A). Whilst this may have been sufficient in some occupational areas, in others little could be achieved. New skill inputs such as computer literacy were run at an extremely low level on most schemes, where such training did not fall under the scope of the OTF. For example in clerical schemes, keyboard appreciation would often include the use of micro computers. As mentioned previously, managing agents often felt constrained by the level of funding to produce what they regarded as lower quality schemes. In this respect they felt the funding of YTS was not sufficient to guarantee the quality of the scheme. As one PTO manager stressed,

"... the MSC ask us to do more for the money they pay us and yet they're really paying us less than they've ever paid us before. So, somewhere along the line you can't have quality as well as all the extras that have to go in. (PTO, clerical scheme)

The impact and changes that the YTS could have on 'skill' training would appear to depend on that occupational sector and skill level in which it occurred. In low skill occupations YTS had some effect in raising the amount of
training received by school-leavers, though this was not necessarily a reflection on the skill requirements of the work. In particular, the YTS did succeed as a training measure in industries notorious for under investment in training, for example, some forms of manufacturing and retailing. In occupational areas where the skill content of training was high, the YTS did not have the capacity to provide anything more than a broad, and often diluted foundation. Though there could be some value in this, it would depend on the ability of employers to continue with the training. The YTS required an element of progression in order to meet the objectives of the NTI to improve training and raise skill levels. This opportunity was not available for a large proportion of YTS graduates in the first year of YTS. For those trainees who were not offered employment which involved further training, the YTS appeared to be a route straight into semi-skilled work, or even unemployment. Whilst it was not an objective to ensure further training for all YTS graduates, the YTS effectively closed opportunities for skilled work rather than improving them. (1)

The YTS operated mostly at the lower end of the labour market and had little impact on higher grade labour. It did not appear to improve training for the majority of school-leavers who entered jobs that were not within the scope of a scheme or any other training, and did not have the capacity to affect the training or recruitment of a significant amount of white collar, skilled and technician grade labour. A major effect the YTS has had on craft training (apart from the CITB) was to secure the continuance of skill training in areas where the demand for it was uncertain. This was partly the result of creating places by location and making use of 'spare' training capacity and of creating such large training programmes in areas of high unemployment. To a large extent then the YTS operates in some occupational or industrial (1) This study has not considered the likely effects of a two-year YTS
sectors as, at best, a 'training for stock' measure.

The above discussion focused on the emphasis on traditional 'skills' training within schemes operating in the Leicester area. Whilst this gives a reasonable description of the major differences, it is worth contrasting this picture with the situation in St Albans and Sunderland. In as much as it has already been shown that the provision of YTS varied between the three areas some differences would be expected because of the differences in training providers. However, there was also some indication that training providers in the three areas reacted differently to the conditions of the local labour market.

In St Albans, Mode A type schemes were commonly with employers rather than umbrella managing agents. Employer based schemes had a tendency in all areas to be job related. In St Albans this was more so, usually because the training period was seen as a route into work. In such instances it was seen as reasonable for the training to be more specific by employers, trainees and local MSC staff. Mode A schemes also appeared to place an emphasis on certification and most offered day release to college or training leading to some form of recognised qualification.

The situation in Sunderland was somewhat different with the majority of Mode A provision provided through PTO's and a larger proportion of Mode B provision. However, the emphasis placed on skills training was likely to be greater in Mode A provision in Sunderland than in Leicester although the content of schemes may not have varied greatly. Mode B schemes were more likely to dilute skills training and give much broader - not work related - training to trainees. The response to a local labour market situation where few opportunities for work existed was split between a greater emphasis on job specific training on the one hand, and none at all on the other. Interestingly enough, in Sunderland trainees were usually moved between different work placements
whereas in Leicester and St Albans they remained with the same employer. This was partly because trainees had to 'share' placements but also reflects the lesser role that YTS played as a screening function and route into work. In this situation it was thought better to expose the trainees to a wider range of employers rather than try to match them with one.

There can be no doubt that local labour market factors played some part in determining what was seen to be relevant training. Whilst industrial and occupational segments are important in influencing response to training, determining training routes and providers, the specific response at a local level may also be influenced by local labour market conditions. However, because the YTS does not wholly take place within the labour market and does not always reflect the demand for labour, the local effect may well be less than expected. Local labour market conditions such as unemployment rates, types of industry and size of employers may well, however, be vital in determining how integral YTS is to the labour market.

Redefinition of Skill and Training

This section looks in a more qualitative manner at the concepts of skill and training. In particular it considers the different assumptions made about the 'problem' of youth training and asks to how far the YTS contributes to a shift in the redefinition of training from job specific to skills associated more broadly with employability.

It is generally accepted that the type of skill demanded by industry is changing and that there is a shift from the demand for 'skill' as it relates to a specific job or operation to 'skill' as it relates to a body of knowledge, aptitude and experience from which an individual may draw.
This change of emphasis in 'skill' is reflected in much of the thought behind current government programmes such as the YTS. However, this runs parallel to a concern that the demand for a higher level of skill in the average worker is increasing and at the same time the deskilling of some jobs is occurring within certain industries. Research on the introduction of new technology has tended to reinforce the argument that deskilling has occurred at lower levels of skill but has created a shortage of workers at the higher skill levels, particularly in the area of electronic and computer engineering:

"The pattern of demand for skills is continuing to change, with increased emphasis on transferable newer technology skills...This increasing pace of change will place an increasing premium on policies to promote training opportunities for adults to reshape existing skills and to ensure that skill shortages do not hold back expansion to growing sectors of the economy".(MSC; Corporate Plan 1983-87,6)

However, there is a difference between the argument that skill levels are subject to this type of polarisation in some industries and one that the nature of work as a whole is changing so that fewer job specific skills are now needed. Politically the arguments are often confused to a point whereby both are argued concurrently, being used to justify all levels and types of state intervention. Whilst it is possible to illustrate the demand for more highly skilled workers, as it relates to technical and managerial staff, for example, distinctly higher level staff, and a decline in semi and skilled work, it is much more difficult to consider the emergence of new skills. Often research has shown that some of these 'skills' are simply ones that had been taken for granted before. With the emergence of government training measures for the unemployed, such skills have been put firmly into the context of improving
employability through 'process' skill training. Certainly the training content of YTS has attempted to concentrate on the acquisition of 'good worker' skills.

In fact there is some difficulty in reconciling the MSC definitions of skills and training to those of employers. This is not only because definitions of 'skills' vary between employers and the MSC, but largely because employers themselves perceive skill and training differently. In some occupational and/or industrial segments, for example, 'skilled' labour would involve a four-year apprenticeship with intensive training, whilst in others 'skilled' operations take a four-week training period. There is a certain amount of difficulty in defining standards of skill across occupations. It is therefore impossible to assess whether employers demand a 'higher' or 'lower' level of skill without reference to the specific occupational categories for which they recruit. Even this may not be sufficient and within the same industry or firm definitions can vary. The same problem will be encountered when considering whether or not employers demand 'new' skills or less job specific training. Variations occur between 'skilled' occupations not necessarily due to differences in perception but because of the different way in which labour can be organised. Employers do have some choice, for example, as to whether new technology reduces or enhances skill levels and the requirements of the labour force. There are no absolute outcomes in this respect. It would appear that when employers draw attention to skill shortages they are often referring to specific skills associated with occupational categories, for example, computer programmer, overlockers and so on. Difficulties in recruiting the right kind of labour are, however, often associated not only with skill levels, but with more abstract issues which could very well be termed employability or an aptitude to be trained. It may also be a failure on the part of employers to attract the right kind of labour due to poor wages, conditions and other factors and not a product of either insufficiently trained or
These differences in a definition of 'skill' would make an evaluation of the training provision under the YTS more complex, necessitating an analysis of skill content and training by occupational segment. As this cannot be done here the following discussion centres around the training and emphasis on 'skill' as embodied in different types of scheme.

In looking at the type of training provision on which YTS is based it would not seem to be defined by any notion of what employers or industry 'need' in terms of 'skill' training, so much as how the problem of youth unemployment and the transition from school to work is perceived. The issue is seen to be the employability of young people, particularly in terms of their knowledge of the labour market, acceptance of the work ethic and general adequacy as potential employees. This attitude is behind much of the rhetoric stressing the need for 'broad based training' and defines the problem and the answer in terms of the characteristics of young people. Often there is reference made to 'changing skills' with the implicit assumption that this change is from product based skill to process based skills. Attitudinal characteristics commonly include aspirations towards pay, working conditions and career progression so that young people are seen to be less employable due to 'inflated aspirations'. However, an alternative view is that the problem is basically one of a lack of training and experience in particular job specific skills, in other words 'traditional' product skills. Young people simply do not possess knowledge of a job and the skills to perform particular operations. It is this which is seen as inhibiting their transition to work (unemployment rates excepting) rather than their attitudes and/or ability to "be flexible".

The YTS attempted in theory to cover both of these. The main thrust of the programme was undoubtedly in terms of the former; the transmission of good worker "transferable"
skills. The transmission of these skills was, however, based around training - at a very basic level - in product skills, and it was in terms of these types of skills that many of the employers, and trainers still thought. Whilst the 'good worker' part of the course was considered important, it was not considered, in itself, particularly worthwhile. This view was expressed by a range of managing agents, particularly employers,

"I tend to think that the criteria as laid down by the MSC is a little out of touch with the real world ... I was putting on training for the girls to become secretaries covering all aspects that they'd need, but the MSC wanted more of a broader training ... I feel (they were) getting away from the main part of it." (Employer, clerical scheme)

The way in which the YTS was implemented allowed a certain amount of flexibility in the way in which training needs were formulated and training provision set up. This, however, assumes that those groups or organisations responsible for formulating training needs (that is, identifying the problem) have the knowledge of the labour market to respond to particular needs and the resources to cope with such training. In reality, the perception of the problem, coupled with a very loose guideline as to what constituted broad based training, can be shown to be instrumental in the formulation of training needs. This must, however, be set within the context of the training arrangements and provision in the labour market segment within which a scheme operated.

An important point to note at this juncture was the different position of managing agents. Employers frequently complained about the criteria imposed by MSC but felt they had a certain amount of leverage. Most did not appear to be running particularly 'broad based' schemes though they may have felt they were broader than previous training programmes. Local
MSC officials were more relaxed about criteria when dealing with employer schemes. In the last resort, employers did not, in any case, feel particularly bound by the MSC,

"To put it bluntly, to get the course approved and the cheque signed, we write a programme that isn't going to be carried out." (Employer, clerical and engineering scheme)

This, it should be noted, was not done in a furtive way. Employers felt that part of the local MSC official's role was to help them 'appear' to be operating within MSC guidelines. It certainly was not to tell them how and what to train. In this respect, employers did not see MSC in a favourable light,

"I think that sometimes the employer knows best, because they've been training in that area for years and some graduate who's just got a job with MSC comes in and they're all full of theory and they don't know the practicalities ... they ought to leave the employer to do it for themselves." (Employer, retail scheme)

Non-employer based managing agents did not, however, have the same negotiating power as an employer. With their organisation's survival in many cases depending on MSC funding the MSC were more able to influence the training provision,

"... (we) have no choice. They (the MSC) don't change. It's you that's got to change and if you don't accept it then you don't get the money." (PTO, clerical scheme)

Differences in MSC negotiating power and the funding of the schemes created two fractions of YTS: high intensity or greater emphasis on 'product' or job specific training with a
lower emphasis on non-job related training, on the one hand, and 'broader' training with less emphasis on 'product' skill training on the other. With these two different approaches went a view as to the "problem" of youth.

Managers of those schemes which emphasised the learning of more abstract 'process' skills depicted young people as lacking knowledge of the world of work, often frightened at the prospect of 'real work' and usually with totally unrealistic expectations as to what to expect. The function of the YTS then became to improve their confidence, give them knowledge of the world of work and help them to be more 'employable' and attractive to potential employers. This usually entailed lowering expectations, and emphasising the importance of 'good work habits'. This view was commonly found amongst private trainers amongst whom the following was a typical reaction,

"... a lot of them come out with the impression, for some reason, that the world owes them a living, which is an attitude I have to counteract ... they are also frightened ... they haven't got a notion of anything to do with the working world." (PTO, clerical scheme)

Where schemes stressed the importance of this kind of training, managers frequently blamed the schools for not preparing young people adequately for the 'real world'.

Underlying this interpretation of the need for training was the explanation of youth unemployment in terms of the inadequacy of young people themselves. The assertion that young people expected too much frequently meant that their expectations in terms of pay were unrealistic and that the scheme was instrumental in effectively lowering the wages of young people. In terms of an interpretation of the state's intervention into the youth labour market, the YTS can be seen in this case, not only as an unemployment alleviate, but
as an attempt by the state to ensure the adherence to a work ethic.

However, this interpretation of the YTS ignores the emphasis in many of the training schemes on 'product' skill training. For managers of these schemes the problem was one of decreasing opportunities for skill training for young people. The issue of the adequacy of young people for work was considered in terms of the skills they possessed rather than their attitudes. These schemes also taught more abstract skills and had a social and life skills component. Their emphasis, however, usually reinforced by that of the trainees, was on the teaching of 'real' skills. In these cases the social and life skills component was often marginalised and not valued by either the trainer or the trainees. Employers also felt that more abstract "skills" such as work discipline and adaptability were learnt by working and could not be formalised in any way. In this sense, a large part of the training content of the YTS was in fact a redefinition of work itself.

Furthermore, the differences between the three areas revealed a greater complexity to this issue. For instance, in the last section it was noted that in Sunderland there was often a distinction made between schemes which emphasised product skills and those which relegated their importance. This usually reflected a different response to the high unemployment rates in the area. Schemes which emphasised job specific training were commonly in those occupational areas where there was still some demand for labour, for example, in clerical work. Managing agents felt that in order to compete in the labour market young people had to possess job specific skills. To be "employable" young people (and adults) had to have more than just 'the right attitude'in Sunderland. One managing agent even went as far as saying that he saw no point in recruiting young people to his scheme unless they already possessed a competence in secretarial skills and preferred trainees with good 'O' levels. In these schemes
young people were not portrayed as in anyway inadequate - just in a situation where competition for work was fierce.

By contrast, in other schemes the use of any type of job related training at all was actually questioned and training "for unemployment" was felt to be more appropriate. In these schemes the YTS was considered inappropriate because ultimately it was not broad enough - concentrating on training for work. Though Mode A schemes in Sunderland did retain this type of training, Mode B provision was often much broader and attempted to train young people in skills which would be useful to themselves.

There was a significant variation in the extent to which managing agents of all types and in all areas were able to take on board MSC notions of different "skills" and "broad based training". This was affected not only by the MSC's ability or willingness to explain the principles behind these concepts but by the willingness of the managing agent to operationalise them. In practice, employers were apt to 'tag on' non job specific components to a training programme in order to satisfy MSC criteria, whilst in many of the non-employer based schemes "broad" training became reinterpreted to mean simply "less" training.

The ability of individual schemes to utilise the YTS provision in different ways militates against making blanket statements as to the overall impact of the YTS on the training arrangements of young people. At a very general level the YTS has shifted the emphasis of training, redefining 'skills' as 'employability'. However, this is not always the case with the actual provision of training under YTS and certainly does not always accord with the expressed demands of employers for greater emphasis on the training of skills. Neither does it always accord with the perceptions of managing agents.
This leaves the question of what the YTS actually constitutes in terms of an intervention by the state into training. It also questions the ability of the state to implement such a scheme in the interests of capital. There is no long term value for employers in training young people in outdated skills, or giving training at too diffuse a level. Moreover, the social control aspect of the training is based on the presumption that young people do not actively resist such forms of socialisation, and that they are valued by the labour market.
CHAPTER TWELVE

STATE INTERVENTION INTO THE LABOUR MARKET RECONSIDERED

The concluding chapter considers the implications, both theoretical and empirical, of the analysis of state intervention into the labour market for youth. In a brief introduction this first looks at some of the broader theoretical implications of the policy analysis and asks how adequate current theories of the state are in accounting for the outcome of social policy. The major part of this chapter, however, considers the implications of this thesis for the development of a framework for analysing social policy.

Some Theoretical Implications

Despite the need for theories of the state to incorporate a view of the role of state intervention, very little concern has been directed to the formulation and delivery of policy by such theorists. But the reverse is also the case. Evaluations, and studies of social policy are rarely located within a broader view of the role of the state in contemporary capitalist society. Policy is considered primarily in terms of its stated objectives and its outcomes. It has not been considered that the process by which policy is implemented, or the ability of the state to achieve its goals is at all problematic.

Analyses of social policy have concentrated on the stated objectives of any given policy and thereby evaluate its 'success' in terms of given criteria. In such a way policy 'failure' becomes more narrowly defined and explained within the stage of implementation itself. Rather than considering the way in which policy is developed, the means by which different interests are represented in its negotiation and delivery and the structural constraints on its outcome,
policy failure becomes a case of 'the wrong policy'. The state is seen as being deficient, but not so much in its structure or affiliation as in its support of inadequate programmes, mechanisms for delivery or poor resourcing. Its mediatory status remains both assumed and intact.

The general inadequacy of theories of the state is that at the level of state intervention, they frequently do not look at policy at all. Their view of state intervention, and hence social policy has been derived from their analysis of the state and its relationship to the economy. Consequently the outcome of policy is explained with reference to the role of the state in contemporary society. The institutional mechanisms and the ability of the state to achieve its goals are not so much the focus of concern as the end results of its actions. For instance, the functional model of the state accords the state with a degree of autonomy from the economy which allows it to mediate between the objectives of different interest groups. This effectively concentrates attention on the way in which policy is formulated at its broadest level. It does not look at the way in which different interests can influence policy throughout its implementation and delivery.

Functionalist theories of the state have given rise to normative evaluations of social policy, where the state is seen as essentially neutral. Marxist analyses, however, have not spawned normative assessments of social policy. However, their theories have led them to explain state interventions in a way which has missed the process of policy implementation. In its crudest form, the difference between policy objectives and policy outcomes are seen not as failures but as the means by which the 'real' intentions of the state are masked. This ultimately sees the state not only as the instrument of class rule, but accordingly extends its definition of the state to any institution, agency or organisation engaged in the delivery of social policy. At its worst, state intervention is merely the result of
conspiratorial politics. The way in which policy is formulated and delivered is not problematic for Marxist theories of the state because they focus on broad policy outcomes rather than empirical analyses of policy implementation. Outcome, in this instance, becomes synonymous with intent and hence demonstrating the shift in rationale is not seen to be a problem.

Depending on the degree of autonomy accorded to the state, conflicts of interests within the state can also be difficult to explain. Whilst again, it is possible to explain state activities in terms of its outcomes the state is often seen as a unified institution. This could be regardless of whether the state is given relative autonomy from class interests. Control of the state, to any degree, is not seen as fragmented. This makes it difficult to explain why different parts of the state can hold different or conflicting values or pursue non-compatible policies. Where this is explained by the actions and philosophy of the governing party the state is ultimately seen as being controlled and 'captured' by democratic consent with no real autonomy granted.

However, non-instrumental accounts of the state do not reduce state intervention to the level of conspiracy and the state is accorded some autonomy from class interests. The means by which dominant interests are represented becomes more of a problem. The maintenance of hegemonic rule is seen as being intrinsically fragile such that concessionary social policies are not reduced to illusions of social reform. However, whilst policy failures are not necessarily reduced to the real intentions of a class state, they are not adequately explained either and it is unclear whether this perspective can account for a fragmented state.

The shared problem of both functionalist and Marxist theories of the state is their inadequacy for questioning the actual ability of the state to intervene. To a certain extent this
question has been tackled more extensively by the derivationists who have looked more at the institutional formulation of the state and its ability to deal with the crises of late capitalism. In particular, Offe's consideration of the 'crisis of crisis management' entailed an analysis of the extent to which the structure of the modern day state is inadequate for dealing with the inherent contradictions of capitalism. Using Offe's work as a starting point then it is possible to look at the structure of the state itself and the type of state intervention and begin to question the institutional process by which policy is negotiated. Offe's distinction between allocative and productive functions of the state also enables an explanation of why state policies 'fail'. By looking at the way in which policy is negotiated, the study of policy formulation can account for conflicting interests within the state and to which the state must respond.

This is taken somewhat further by Cawson who extends a theory of corporatism to the analysis of policy formulation. This helps explain why in some areas of state activity interest groups may be an inappropriate means of representing interests. The growth of tri-partite representation is seen as being an indication of the need for the state to incorporate the interests of powerful groups in the corporate sector. The state can hence be seen as fragmented in line with the fragmented economy.

But if Offe's distinction between different state functions and Cawson's framework for analysing corporate decision-making allow a more complex model of state intervention to emerge, they also pose problems for understanding the policy process. It is not clear for example, why allocative state policies should necessarily be without problems in their implementation or their outcome. Likewise Cawson's distinction between the corporate and non-corporate sector is based ultimately on economic determinism which ignores the more complex relationship between state and economy which is
initially argued.

In part at least, both Offe and Cawson are ambiguous about policy implementation. Whilst they both examine the way in which policy is formed and negotiated, it is unclear whether they can incorporate the renegotiation and redefinition of policy objectives throughout its delivery. Offe, by concentrating on the institutional structure of the state undoubtedly draws attention to the inadequacy of the state to deal with the crises it is presented with. However, it is not sufficient to see this inability solely in terms of state organisation if the whole process of state intervention in the productive sphere is to be understood. Likewise, what is missing in Cawson's analysis is the structural influences at the level of implementation.

The inadequacy of current theories of the state for dealing with state intervention is their inability to follow policy through the stages of formulation to delivery. If it is accepted that the structure of the state and the representation of interests are vital in any understanding of policy negotiation it should also follow that they will play an influential part in the implementation of policy. This analysis allows a more dynamic approach to policy implementation to take place. It also draws attention to the need to incorporate into an analysis of policy, those influences, both structural and dynamic, that determine and shape the outcome of policy.

In the analysis of the policy framework this is central to the development of an adequate theory of state intervention. Theories of the state must ultimately be able to cope with dynamic models of state intervention which see the control the state has over its own programmes as being fragmented and problematic. This develops a more complex picture of the way in which control over state policies becomes a dynamic process whereby policy becomes redefined and interpreted by different interest groups.
Policy Formulation and Delivery: The Case of Youth Training

The framework developed in Chapter Six attempted to put forward a model for analysing state intervention in the youth labour market. This argued that in this case, an analytical framework had to take account of two main themes. First, the institutional structure of the state itself and the extent to which the state may be constrained by its own organisation. Second, the sphere into which the policy sought to intervene and the influence this could have at both the level of negotiation and delivery of policy. The predominant concerns were with state organisation and the effects of labour market structure on state intervention into the labour market. The underlying question was how far the state was able to intervene effectively within the productive sphere.

In the following conclusion the analysis of the implementation and delivery of the YTS is returned to in an effort to show the importance of developing a broad framework for policy implementation.

The Formulation of YTS

It was argued in Chapter Six that 4 main factors were important in understanding the formulation and negotiation of policy prior to its implementation. In the first place, an emphasis was put on understanding the background to the policy; the economic political and social pressures upon the state to intervene, and the previous response of the state to these pressures.

Chapter Seven presented an historical account of the state's response to youth unemployment and the growth of special measures. However, it was argued that the advent of the YTS represented a merging of two different crises. Not only was the state responding to high levels of youth unemployment, it
was also attempting to deal with the concern over inadequacies in the training of young workers.

However, it was also pointed out that investing in training for the unemployed is not a new response by the state to high levels of youth unemployment. Training has always been seen as a 'remedy' for unemployment in a way which effectively highlights the inadequacy of the unemployed rather than the failure of the economy. The state's response to unemployment has been characterized by its concentration on special programmes for those without work. In this context then it can also be seen that concerns over the training arrangements for young people were not 'new' but have been voiced throughout the past century. What is significant, however, is the actual scale of the state's response and the means by which this has been achieved. Chapter Seven traced the development of MSC programmes and showed how the rationale behind special measures changed from that of alleviating the worst effects of youth unemployment, to making a fundamental contribution to the training of young workers.

Early MSC special programmes were essentially allocative measures responding directly to the need for job creation programmes in areas of high unemployment. They effectively operated outside the productive sphere and the labour market. Increasingly though special measures attempted to operate within - or at the margins - of the labour market. For example, the WEP, and WEEP one of the programmes under YOP, gave 'trainees' the opportunity to gain experience of 'real work' and hence located the programme within the boundaries of the employment market.

The YTS was built upon the relics of previous programmes and its core components were shaped by the critiques of its predecessors. The YOP was criticised for being haphazard, badly organised and with a poor training component. The YTS was to be better managed and have a core training component. It was not a radically new programme, it was effectively
formulated within the existing realms of state intervention.

The second factor was concerned with the type of policy. It was argued in Chapter Eight that whilst the YTS was built upon the foundations of its predecessors it represented an intervention by the state into the productive sphere. Though concentrating on areas of high unemployment (and thereby retaining an allocative dimension) the YTS marked an attempt by the state to intervene directly into the training and recruitment of young people into work. This represented an attempt by the state to enter the realms of productive intervention. This has a number of consequences for the ability of the state to maintain control over the outcome of its policies.

However, whilst the YTS may initially seem to fall within the realms of production, it retains an allocative dimension. It is not to be assumed that the aims of the programme in terms of allocation (job creation) and production (training) are compatible. The YTS had internal conflicts in its scope and objectives before its launch and these were to effectiely constrain the implementation. They also resulted in a scheme fragmented in its relation to the labour market. As was seen in subsequent chapters the YTS varied considerably in terms of its location within, or at the margins of the labour market. Partly this is a result of the structure of the labour market; partly it reflects opposing objectives in the design of the programme.

The third set of questions centred around the organisation of the state, in particular that part of the state concerned with the formulation and implementation of the YTS. The underlying question within this part of the analysis was the unity of the state apparatus in terms of both inter-state relationships and between the state and government. This is central to an understanding of the appropriateness of state organisation for dealing with the crises posed by late capitalism.
The analysis in Chapter Eight demonstrated the effective fragmentation of the state apparatus by illustrating the friction between education and training interests. This was epitomised in the conflict between the DES and the MSC. The MSC was seen as an appropriate vehicle for expanding state policies within the sphere of the labour market because it could bypass the control of the more autonomous local authorities and also educational interests. Hence educational interests lost ground in the fight for control over youth training which was placed more firmly within the arena, and control, of labour market structure.

Similarly the long term objectives of the MSC have to be seen in relation to the shorter or more politically orientated objectives of central government. The support for MSC training measures has already been shown to be related to high levels of youth unemployment. The longer term aims of the MSC to establish more comprehensive training provision were not necessarily in line with attempts by the government to alleviate what was essentially a political problem. The emergence of the new YTS was steeped in the conflict of interest between the MSC and government. The MSC, is not synonymous with the interests or philosophy of the ruling party and the state apparatus, to some degree retains autonomy from central government - in thought if not in action.

This inevitably leads on to a consideration of how far the

(1) Current events have led to a 'rethink' on the now 'false' division between the DES and the MSC with the reduction in local authority autonomy and control. However, the incorporation of the MSC into the DES would not necessarily wipe out conflicts of interests within the reformed department.

264
MSC is actually able to fulfill its own (long term) objectives. In this context the MSC has itself continually pointed out the limitations to its scope. There remains, however, a tendency for policies which cannot succeed without co-ordinated activity to be pursued by state agencies or departments with little real control over the economic sphere.

This is linked to the fourth dimension in the analysis of policy formulation. This looks at the way in which policy is negotiated and the representation of interests within the state organisation. The establishment of the MSC incorporated a tri-partite structure with the government, labour and capital being partners. This was to ensure that these interests were formally represented in the negotiation of policy and that, as a result, policy would be based on consensus. However, as was seen, in practice it is doubtful whether such consensus really existed. It led instead to a certain vagueness in policy documents and intentions which masked the differences in interests and interpretation of different groups. This set the basis for reinterpretation of objectives and continued negotiation.

The Policy Process

The above discussion is important for an understanding of the influences on the formulation and negotiation of policy. However, it should already be clear that this is only half the picture. The uncertainties and conflicts built into the formulation of the policy continue throughout the process of its implementation. Policy objectives do not 'freeze' prior to implementation but continue to be subject to reinterpretation and different influences. Moreover, the situation within the formulation and negotiation of policy is to some extent formally controlled by the institutional structure of the state itself. There is no such control over the implementation process. Although state agencies may have
some influence and control over implementation they may not ultimately be in a position to determine the outcome of the policy in a blanket fashion.

Within the actual process of implementation the organisation of power and control may be different and subject to variable (or more dynamic) criteria than in the formulation of policy. It is here, in the realms of the productive sphere that renewed negotiation of policy objectives takes place. Here the distinction made between allocative and productive interventions by the state may help to explain why the state may be able to control the implementation and delivery of policy more in some cases than in others. Where the implementation of policy occurs within the bureaucratic state machinery the state retains more control over the outputs. In productive intervention, the implementation of policy occurs primarily outside the state apparatus and becomes more difficult to both implement and monitor as labour market and capital interests begin to take precedence. This distinction can explain to some extent why the MSC can retain more control over those schemes which operate at the margins of the labour market than it can over those which occur within the boundaries of labour market structure.

This argument has a critical consequence for the extent to which policy is agreed within the format of consensus politics. If policy objectives can change outside its initially framework it is no longer sufficient to look at the institutional structures which exist for the purposes of agreeing — in principle — the content of public policy. Instead it becomes more crucial to look at those institutions/organisations or groups who have control over the way in which policy is implemented and ultimately shaped. It has been argued within this study that it may be more appropriate to look at the determinants of labour market structure and control over capital/labour than to focus exclusively on the representation of interests within state institutions.
The framework developed in Chapter Six comprised two inter-relating sets of influence on policy implementation: the organisation of the state and the capital/labour relationship seen here through the structure of the labour market. These were considered not only as inter-related factors but on the different dimensions between national and local organisation.

The way in which the state may control or influence the implementation of policy was examined through an analysis of the MSC in terms of its capacity to implement policy. The MSC has a network of local and regional offices which 'carry out' its work. However, local MSC offices do not run YTS schemes but contract - through the media of Area Manpower Boards - other organisations and agencies to do so. The MSC, in this context is a contract agency, it does not delivery its own programmes but encourages, negotiates and pays others to do so. Its influence is in this contractual arrangement and the ability local offices (and AMBs) have to impose criteria on managing agents. Local MSC offices take on a monitoring and overseeing role. The control they have over the final outcome is only as much as is granted by the efficiency of their monitoring and the strength of the relationship between the MSC and its managing agents. So the link between policy formulation and policy delivery is more complex.

Central to this must be the way in which policy directives are passed down from the top of the MSC hierarchy to the AMBs and local offices. In the absence of any hard and fast guidelines local offices come to interpret broad guidelines as seen fit. This means, if policy objectives are to remain intact at this stage of implementation, a common understanding of concepts, terms and philosophy is necessary. It is doubtful whether in practice this either exists or is workable. None the less the links within the MSC organisation must play an important part in the interpretation of policy objectives. Linked to this must
also be the need for local offices and AMBs to respond to specific local conditions. In other words there is an in-built flexibility into the criteria governing social policy.

The implementation of state policy often necessitates the cooperation of different state agencies. The process by which the YTS was implemented was made more complex by the need to secure the cooperation of other parts of the state machinery. In this instance, the further education sector, careers service and local government were important influences on the outcome of the programme. Yet these intra-state relationships are not founded on any consensus of objectives and often mask intra-state conflict and competition. The MSC even at a local level has had an uneasy relationship with educational interests and organisations, such as the careers service, aiming to represent the interests of young people.

The effects of the capital/labour relationship on the YTS can be seen through an analysis of the YTS in terms of labour market structure. The crucial argument here is that the relative influence of capital and labour on determining the outcome of the programme vary significantly between different industrial or occupational sectors of the labour market. This is reinforced by the fragmented system of training within and between different sectors of the labour market. The response to the YTS varied considerably between different capitals, within the labour market and between different parts of the training system. Some large companies and corporations were able to tap into the implementation of the YTS at a national level and effectively deliver their own programmes. Some of the larger more powerful training boards such as the CITB did the same and took over responsibility for the running of YTS in their industrial sector. The response by some occupational and industrial sectors on the part of capital was non-existent. In others it amounted to their effective control of the programme.
The influence of organised labour was also more important in some segments of the labour market than others. In some, trade unions were consulted and were instrumental in agreeing to the operation of YTS in their sphere of influence. Others, for example, NALGO effectively blocked the use of YTS subject to their minimum criteria being agreed to. The ability of labour to influence and determine the outcome of policy does not rest with its formal representation on the MSC or AMBs but is affected by the degree to which unions have gained control over segments of the labour market.

At a national level then, the implementation of the YTS becomes fragmented by the same determinants of labour market structure. But this fragmentation has a local dimension with the specific conditions of local labour markets. At the 'ground level' too, local groups, FE and training organisations may respond differently and have a greater or lesser influence on the delivery of the YTS. The local effect is obviously reinforced (or undermined) by the local organisation of MSC offices and AMBs which interact with these local labour market factors. In the three local labour markets studied both the local needs for and local response to the YTS were important in influencing its delivery. However, local factors can be mediated through national criteria. For example, the delivery of YTS in Sunderland and St Albans owes as much to the national criteria for concentrating resources in areas of high unemployment as it does to the specific response of local industry and training organisations. National organisation of schemes also diminished local control.

In Chapters Ten and Eleven, the different response within the labour market was highlighted through a consideration of the effects of YTS on the recruitment and training of young people. The effect of YTS on recruitment and training was a product of its proximity to the labour market. For this reason schemes were more or less successful in securing employment for trainees, and offered varying degrees of
training provision. Overall, however, the extent to which YTS was used as a recruitment route was dependent both on the type of scheme and the labour market sector it occurred within, notwithstanding the obvious effects of levels of unemployment. It was also influenced by the position of young people in the labour market relative to adults. Because it occurs within the existing conditions of the labour market it is not likely to bring about any radical change in recruitment strategies. The same barriers to access, and sexist and racist recruitment strategies are reproduced within the YTS. The more dependent on labour market structure the programme is, the less likely it is to bring about change. In some instances, because YTS effectively strengthened informal recruitment criteria, it could even compound these divisions.

The effects of the YTS on the training of young workers was also highly differential. This was influenced by the industrial and/or occupational sector within which the scheme was located. It was also, to a large degree, determined by the type of training provider, in particular their position within - or at the margins of - the labour market. Although the funding was an important factor in determining training content there was a general tendency for employers to value more specific skills than non-employer based managing agents. The less 'integral' to the labour market a training provider, the less emphasis put on 'product' skills and the more value put on broad 'process' skills.

The differential response to the YTS within the labour market has some significance for a discussion as to the effects (or even intent) of the YTS on the training of young workers. In some segments of the labour market YTS has undoubtedly resulted in a lowering of training which could further reduce the skill content of particular occupations. But in others, the means by which young people are recruited and trained for work have remained, with some changes, more or less intact. In other segments it is arguable that, albeit starting from a
low base point, the YTS has enhanced the training given to young workers.

The focus on the recruitment and training of trainees within the YTS clearly illustrates the influence of the labour market and the relative power of capital and labour on the outcome of the implementation of YTS. Although there are some broad trends within the emergence of the YTS, disparities cannot be reduced to exceptions. It is not only the formulation of policy which should be given explanatory power, it is the mechanisms and process by which it is implemented.

The study of social policy cannot be separated from the arena of state organisation and the sphere into which it is located. Formulation of policy is not separate from those factors which determine its outcome in the process of implementation. The organisation and structure of the state and the representation of corporate interests in the negotiation of policy are crucial in determining the policy agenda and stated objectives. To understand the effective control of this policy, however, requires a much broader understanding of economic and political structures.

The contribution of this study to the analysis of social policy is not to draw attention to this argument as if it were newly discovered. It is to take it into account in the development of a framework for analysing policy. The political implications of this argument and the framework are clear. In the past critiques of state policies have not regarded the ability of the state to intervene in the economic sphere as being problematic. Policy proposals thereby argue for 'different' or 'the right' policies and/or adequate control over the state apparatus. Without giving serious consideration to the process of policy formulation and delivery the capacity the state has to reform is assumed.
## APPENDIX ONE

### TABLE 1.1

Unemployment G.B. Summary

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Source: Department of Employment Gazette, various issues
### TABLE 1.2

**Unemployment by Region**  
(March 1972 - March 1981)

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Source: Department of Employment Gazette, various issues
# TABLE 1.3

## Employees in Employment by Industry

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<td>2,586,000</td>
<td>-88,000</td>
<td>-3.3</td>
</tr>
<tr>
<td>XXIV</td>
<td>1,117,000</td>
<td>1,219,000</td>
<td>+102,000</td>
<td>+9.1</td>
</tr>
<tr>
<td>XXV</td>
<td>3,572,000</td>
<td>3,605,000</td>
<td>+33,000</td>
<td>+0.9</td>
</tr>
<tr>
<td>XXVI</td>
<td>2,196,000</td>
<td>2,286,000</td>
<td>+90,000</td>
<td>+4.1</td>
</tr>
<tr>
<td>XXVII</td>
<td>1,561,000</td>
<td>1,524,000</td>
<td>-37,000</td>
<td>-2.4</td>
</tr>
</tbody>
</table>

Source: Department of Employment Gazette
TABLE 1.4
Youth Unemployment 1973 - 1981
(Great Britain)

<table>
<thead>
<tr>
<th>Year</th>
<th>Aged Under 18</th>
<th>Aged 18 - 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973* &amp; (000)</td>
<td>5.9 47</td>
<td>8.3 66.7</td>
</tr>
<tr>
<td>1976</td>
<td>8.4 106.1</td>
<td>9.4 118.9</td>
</tr>
<tr>
<td>1977</td>
<td>8.8 122.4</td>
<td>9.3 129.9</td>
</tr>
<tr>
<td>1978</td>
<td>9.0 134.9</td>
<td>9.4 140</td>
</tr>
<tr>
<td>1979</td>
<td>7.7 107.8</td>
<td>9.5 132.7</td>
</tr>
<tr>
<td>1980</td>
<td>7.5 105.7</td>
<td>9.6 134.8</td>
</tr>
<tr>
<td>1981 (U.K.)</td>
<td>8.3 200.2</td>
<td>10.2 245.6</td>
</tr>
</tbody>
</table>

* Information was not available for 1974 and 1975

Source: Department of Employment Gazette, various issues.
### TABLE 1.5

**YOP: Entrants by Scheme Type (1978/9 - 1981/2)**

<table>
<thead>
<tr>
<th>Scheme Type</th>
<th>Work Experience</th>
<th>1978/9</th>
<th>1979/80</th>
<th>1980/1</th>
<th>1981/2</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEEP</td>
<td></td>
<td>108,400</td>
<td>138,900</td>
<td>242,200</td>
<td>371,200</td>
</tr>
<tr>
<td>PBWE</td>
<td></td>
<td>8,400</td>
<td>15,200</td>
<td>20,100</td>
<td>-</td>
</tr>
<tr>
<td>CS</td>
<td></td>
<td>7,600</td>
<td>20,700</td>
<td>30,200</td>
<td>71,100</td>
</tr>
<tr>
<td>TW</td>
<td></td>
<td>3,800</td>
<td>7,300</td>
<td>12,000</td>
<td>16,200</td>
</tr>
<tr>
<td>Total Work Experience</td>
<td></td>
<td>128,200</td>
<td>182,100</td>
<td>304,500</td>
<td>461,500</td>
</tr>
<tr>
<td>Work Preparation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All courses</td>
<td></td>
<td>34,000</td>
<td>55,000</td>
<td>91,500</td>
<td></td>
</tr>
<tr>
<td>Total YOP</td>
<td></td>
<td>162,000</td>
<td>360,000</td>
<td>553,000</td>
<td></td>
</tr>
</tbody>
</table>

* Community Projects

Source: MSC Annual Report 1982/3
1.6

Criteria for Training Under the YTS

The Youth Task Group Report laid down minimum criteria which was to form the basis of work-experience and training under the YTS. (See MSC April 1982, paragraph 4.10) The course of training and work-experience was to include the following:

1 **Induction** A training scheme must include a period of induction in order to assess the attained skills and needs of a trainee;

2 **Off-the-Job Training** A course of training under the YTS must include a minimum of three months off-the-job training and/or relevant education within a programme lasting a year;

3 **Core Skill** A trainee should acquire defined core skills

4 **Work Experience** A year's training under YTS should include the opportunity to learn about and have direct experience of the world of work;

5 **Skill Training** The training and skills learnt under the YTS should be related to a broad group or family of related occupations;

6 **Process Skills** Training should increase effectiveness in defined "process" skills;

7 **Personal and Life Skills** Training should include an element of personal and life skills learning;

8 **Guidance and Counselling** Trainees should be given adequate advice and support throughout the programme under guidance and counselling arrangements;

9 **Review and Record** Trainees should be systematically reviewed and recorded at each stage of the programme and be given a record of achievement on leaving the scheme.
## TABLE 1.7

### Msc Expenditure 1976 - 1983

<table>
<thead>
<tr>
<th></th>
<th>76/77*</th>
<th>79/80</th>
<th>80/81</th>
<th>81/82</th>
<th>82/83</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employment Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>108.8</td>
<td>226.4</td>
<td>254.2</td>
<td>306.6</td>
<td>410.2</td>
</tr>
<tr>
<td>(£ million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Training Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YOP/YTS</td>
<td>123.4</td>
<td>213.7</td>
<td>395.5</td>
<td>599.9</td>
<td></td>
</tr>
<tr>
<td>TOPs</td>
<td>229.4</td>
<td>246.3</td>
<td>235.1</td>
<td>236.5</td>
<td></td>
</tr>
<tr>
<td>CI</td>
<td>17.0</td>
<td>19.0</td>
<td>20.9</td>
<td>23.4</td>
<td></td>
</tr>
<tr>
<td>JCP</td>
<td>4.9</td>
<td>0.5</td>
<td>0.1</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Support for Ind. Bodies</td>
<td>98.0</td>
<td>99.2</td>
<td>117.4</td>
<td>77.0</td>
<td></td>
</tr>
<tr>
<td>R&amp;D</td>
<td>2.2</td>
<td>2.6</td>
<td>2.9</td>
<td>3.4</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>259.6</td>
<td>474.9</td>
<td>581.3</td>
<td>771.9</td>
<td>900.2</td>
</tr>
<tr>
<td>(£ million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Support Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>22.4</td>
<td>28.4</td>
<td>27.4</td>
<td>28.5</td>
<td></td>
</tr>
<tr>
<td>(£ million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MSC Total</strong></td>
<td>371.4</td>
<td>727.1</td>
<td>869.3</td>
<td>1,111.4</td>
<td>1,343.2</td>
</tr>
</tbody>
</table>

*Figures for 1976/77 are not compatible with the headings used in the 1982/3 Annual Report and are shown here in brief.

Source: MSC Annual Reports, 1976/77 and 1982/83
APPENDIX TWO

Local Labour Market Information

The material included in Appendix Two elaborates on the characteristics of the three local labour markets. The use of the three labour markets - Sunderland, Leicester and St Albans - arose as a direct result of the linking of this study to the 'Youth in the Labour Market' and subsequent 'Young Adults in the Labour Market' research projects carried out by the Labour Market Studies Group at Leicester University. (1) Local labour market information included here was also used in the above research projects and is reproduced here with permission from the Labour Market Studies group. (2)

The three labour markets were chosen for the Youth in the Labour Market project to represent different labour market conditions. Sunderland was chosen as an area with high unemployment rates and a traditional manufacturing base. In contrast St Albans was an area of low unemployment with a more capital intensive manufacturing sector and a greater number of professional and white collar workers. Leicester had an unemployment rate slightly below the national average (at the time of the study) and a broad manufacturing base.

This study was unable to take a hard and fast approach to geographical boundaries. Although the figures here relate, unless specified, to travel-to-work areas, information on YTS places was provided by the careers service who operate on a county basis with offices split into divisions within this. The travel-to-work areas used were as follows:

(1) The Young Adults study also included Stafford.

(2) A more in-depth discussion can be found in Ashton et al (1982)
Sunderland: comprised of the borough of Sunderland and the smaller Washington New Town

Leicester: Leicester

St Albans: included St Albans, Welwyn Garden City and Hatfield

Whilst Sunderland careers office closely accorded with the travel-to-work area, in Leicester careers office figures also included those from the sub-office in Wigston. The St Albans area was based on two divisional offices; St Albans and Welwyn Garden City. Although this was reasonably similar to the travel-to-work area it included the Greater London fringes in the South Hertfordshire district such as Potters Bar. There is, then, a difference in the below discussion which concentrates on travel-to-work areas, and material collected on YTS places. This would appear to be a common problem in the collection of locally based statistics.

Employment Distribution

According to the 1978 census of Employment, the total number of employees in each of the three labour markets was as follows:

Sunderland 120,794
Leicester 226,878
St Albans 86,530

As mentioned above, the three labour markets differ in terms of their economic base. Table 2.1 shows the sectoral location of the three areas in comparison to the national average. As can be seen, Sunderland has a higher proportion of the workforce engaged in work in the primary sector. About 19% of males work in the primary sector in comparison to 1% of males in Leicester and St Albans. This can be accounted for by the coal mining industry in the Sunderland
area. In all three areas the service sector is an important source of employment. The decline of heavy engineering in the Sunderland area is reflected in the lower proportion of employment in the manufacturing sector. A consideration of sectoral location by gender reflects the national pattern of increased proportions of females in the sector. However, it can be seen that in Leicester a much greater number of women also work in the manufacturing sector.

Table 2.1

Sectoral Location of Employment in Sunderland, Leicester, St Albans and Great Britain, by sex

<table>
<thead>
<tr>
<th>Sector</th>
<th>Sunderland M</th>
<th>F</th>
<th>All</th>
<th>Leicester M</th>
<th>F</th>
<th>All</th>
<th>St Albans M</th>
<th>F</th>
<th>All</th>
<th>Gt Britain M</th>
<th>F</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>per cent</td>
<td></td>
<td></td>
<td>per cent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prim</td>
<td>19</td>
<td>1</td>
<td>11</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Manf</td>
<td>38</td>
<td>21</td>
<td>31</td>
<td>48</td>
<td>37</td>
<td>43</td>
<td>48</td>
<td>26</td>
<td>39</td>
<td>38</td>
<td>23</td>
<td>32</td>
</tr>
<tr>
<td>Serv</td>
<td>43</td>
<td>79</td>
<td>58</td>
<td>51</td>
<td>62</td>
<td>56</td>
<td>51</td>
<td>73</td>
<td>60</td>
<td>57</td>
<td>76</td>
<td>65</td>
</tr>
</tbody>
</table>

M = Males  F = Females
Source: Census of Employment 1978

This description can be considered more fully with reference to Table 2.2. In Sunderland, coal mining accounts for 11% of all employment although engineering, including ship building accounts for 18% of employment. In Leicester, the dominant manufacturing industries are in engineering (14%) and textiles, clothing and footwear (17%). In St Albans the preserve of the aerospace industry is reflected in a higher proportion of workers in vehicles (8%). The chemical industry is also important in this area, accounting for 7% of total employment opportunities.
Table 2.2
Distribution of Employees, Numbers and Percentages by SIC in Sunderland, Leicester and St Albans (1977)

<table>
<thead>
<tr>
<th>SIC Title</th>
<th>Sunderland No.</th>
<th>Sunderland %</th>
<th>Leicester No.</th>
<th>Leicester %</th>
<th>St Albans No.</th>
<th>St Albans %</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Ag. For., Fish</td>
<td>202</td>
<td></td>
<td>1,142</td>
<td></td>
<td>478</td>
<td></td>
</tr>
<tr>
<td>II Mng &amp; Qrrng</td>
<td>13,732</td>
<td>11</td>
<td>27</td>
<td></td>
<td>260</td>
<td></td>
</tr>
<tr>
<td>III Fd, Drk, Toboo</td>
<td>2,355</td>
<td>2</td>
<td>5006</td>
<td>2</td>
<td>2,174</td>
<td>3</td>
</tr>
<tr>
<td>IV Cl &amp; Ptrlm</td>
<td>630</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V Chems &amp; Alld</td>
<td>1,267</td>
<td>1</td>
<td>1,426</td>
<td>1</td>
<td>6,233</td>
<td>7</td>
</tr>
<tr>
<td>VI Metal Man</td>
<td>1,150</td>
<td>1</td>
<td>1,828</td>
<td>1</td>
<td>668</td>
<td>1</td>
</tr>
<tr>
<td>VII Mech Eng</td>
<td>5,607</td>
<td>5</td>
<td>19,119</td>
<td>8</td>
<td>3,199</td>
<td>4</td>
</tr>
<tr>
<td>VIII Instmnt Eng</td>
<td>975</td>
<td>1</td>
<td>2,087</td>
<td>1</td>
<td>3,320</td>
<td>4</td>
</tr>
<tr>
<td>IX Elct Eng</td>
<td>3,551</td>
<td>3</td>
<td>8,973</td>
<td>4</td>
<td>2,122</td>
<td>2</td>
</tr>
<tr>
<td>X Shipg</td>
<td>8,256</td>
<td>7</td>
<td>133</td>
<td></td>
<td>98</td>
<td></td>
</tr>
<tr>
<td>XI Vehicles</td>
<td>1,160</td>
<td>1</td>
<td>2,755</td>
<td>1</td>
<td>6,657</td>
<td>8</td>
</tr>
<tr>
<td>XII Metal Gds</td>
<td>859</td>
<td></td>
<td>4,730</td>
<td>2</td>
<td>2,122</td>
<td>2</td>
</tr>
<tr>
<td>XIII Textiles</td>
<td>215</td>
<td></td>
<td>29,055</td>
<td>13</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>XIV Leather &amp; Fur</td>
<td>46</td>
<td></td>
<td>477</td>
<td></td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>XV Clthng &amp; Ftwr</td>
<td>3,616</td>
<td>3</td>
<td>9,789</td>
<td>4</td>
<td>597</td>
<td>1</td>
</tr>
<tr>
<td>XVI Brcks,Pttry,Glss</td>
<td>2,886</td>
<td>2</td>
<td>1,371</td>
<td>1</td>
<td>842</td>
<td>1</td>
</tr>
<tr>
<td>XVII Tmbr, Pntrre</td>
<td>872</td>
<td>1</td>
<td>1,533</td>
<td>1</td>
<td>1,005</td>
<td>1</td>
</tr>
<tr>
<td>XVIII Ppr,Prntg,Pblshg</td>
<td>2,267</td>
<td>2</td>
<td>4,967</td>
<td>2</td>
<td>2,369</td>
<td>3</td>
</tr>
<tr>
<td>XIX Othr Man</td>
<td>1,075</td>
<td>1</td>
<td>5,268</td>
<td>2</td>
<td>2,136</td>
<td>3</td>
</tr>
<tr>
<td>XX Construction</td>
<td>6,286</td>
<td>5</td>
<td>10,791</td>
<td>5</td>
<td>3,868</td>
<td>5</td>
</tr>
<tr>
<td>XXI Gas,Elect,Wtr</td>
<td>1,914</td>
<td>2</td>
<td>3,476</td>
<td>2</td>
<td>1,211</td>
<td>1</td>
</tr>
<tr>
<td>XXII Transprt,Comm</td>
<td>4,609</td>
<td>4</td>
<td>10,560</td>
<td>5</td>
<td>3,312</td>
<td>4</td>
</tr>
<tr>
<td>XXIII Dist Trades</td>
<td>19,347</td>
<td>16</td>
<td>27,532</td>
<td>12</td>
<td>10,660</td>
<td>12</td>
</tr>
<tr>
<td>XXIV Ins, Bnk, Fin</td>
<td>2,098</td>
<td>2</td>
<td>9,123</td>
<td>4</td>
<td>4,481</td>
<td>5</td>
</tr>
<tr>
<td>XXV Prf/Scnt Servs</td>
<td>15,783</td>
<td>13</td>
<td>35,459</td>
<td>16</td>
<td>18,481</td>
<td>21</td>
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<tr>
<td>XXVI Misc Services</td>
<td>11,987</td>
<td>10</td>
<td>20,270</td>
<td>9</td>
<td>6,701</td>
<td>8</td>
</tr>
<tr>
<td>XXVII Publ Admn &amp; Df</td>
<td>8,049</td>
<td>7</td>
<td>9,976</td>
<td>4</td>
<td>3,518</td>
<td>4</td>
</tr>
</tbody>
</table>

TOTAL 120,794 226,878 86,530

Source: Census of Employment, 1978
The growth of service sector employment is concentrated in the distributive trades and in professional and scientific services, especially in St Albans although in all three areas the service sector provides substantial employment opportunities.

Table 2.3 illustrates the distribution of male and female employees in the three areas. As can be seen, in Sunderland the importance of mining and heavy engineering refer to employment opportunities for males. The vast majority of women are employed in the service sector and the distributive trades and professional and scientific services alone account for 49% of all working women. In Leicester there is less disparity although females are found in textile and clothing manufacturing industries with males in the engineering industries. Because of the higher proportion of women in the manufacturing industries, the difference between male and female employment in the service industries is not as apparent. In St Albans the distribution of male and female employment is similar to the national average, with 33% of all women employed in professional and scientific services and 14% in the distributive trades. In parallel to the national pattern, women are predominant in part-time work, particularly in service industries.

The balance between manual and non-manual work is illustrated in Table 2.4 which shows the socio-economic structure of the labour force. In Sunderland approximately 61% of working males are in manual work compared with a national average of 45%. The figure is still above the national average in Leicester (57%) but is considerably lower in St Albans. St Albans has a much higher proportion of white collar workers, and substantially more professional workers and employers. In line with industrial locations, females are found more in white collar and non-manual occupations than males. The exception to this, reflecting the industrial base, is in Leicester where significant numbers of females can also be found in semi-skilled manual work.
Table 2.3

Percentage Distribution of Male and Female Employees in Sunderland, Leicester and St Albans by SIC

<table>
<thead>
<tr>
<th>SIC</th>
<th>Title</th>
<th>Sunderland Male</th>
<th>Sunderland Female</th>
<th>Leicester Male</th>
<th>Leicester Female</th>
<th>St Albans Male</th>
<th>St Albans Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Ag, Forst, Fshng</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>II</td>
<td>Mng &amp; Qrrying</td>
<td>19</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>III</td>
<td>Fd, Drnk, Tbcc</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>IV</td>
<td>Cl &amp; Petrm</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>V</td>
<td>Chmcls &amp; Alld</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>VI</td>
<td>Mt1 Man</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>VII</td>
<td>Mech Eng</td>
<td>7</td>
<td>1</td>
<td>13</td>
<td>3</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>VIII</td>
<td>Instrmt Eng</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>IX</td>
<td>Elect Eng</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>X</td>
<td>X Shipng</td>
<td>11</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>XI</td>
<td>Vehles</td>
<td>2</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>XII</td>
<td>Mt1 Gds</td>
<td>1</td>
<td>-</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>XIII</td>
<td>Textiles</td>
<td>-</td>
<td>9</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>XIV</td>
<td>Lther &amp; Fur</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>XV</td>
<td>Clthg &amp; Ftwear</td>
<td>-</td>
<td>7</td>
<td>3</td>
<td>7</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>XVI</td>
<td>Brcks, Pttry, Gls</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>XVII</td>
<td>Tmbr, Prnture</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>XVIII</td>
<td>Ppr, Prntg, Pblshg</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>XIX</td>
<td>Othr Man</td>
<td>1</td>
<td>-</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>XX</td>
<td>Construction</td>
<td>8</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>XXI</td>
<td>Gas, Elect, Wtr</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>XXII</td>
<td>Trnsprt, Comm</td>
<td>5</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>XXIII</td>
<td>Distrbtve Trades</td>
<td>8</td>
<td>27</td>
<td>11</td>
<td>14</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>XXIV</td>
<td>Ins, Bnk, Finance</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>XXV</td>
<td>Prof/Scfic Servs</td>
<td>7</td>
<td>22</td>
<td>10</td>
<td>23</td>
<td>12</td>
<td>33</td>
</tr>
<tr>
<td>XXVI</td>
<td>Misc Services</td>
<td>5</td>
<td>17</td>
<td>7</td>
<td>12</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>XXVII</td>
<td>Pblc Admin &amp; Def</td>
<td>6</td>
<td>8</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Census of Employment, 1978
Table 2.4

Socio-economic Structure of the Male and Female Labour Force:
Sunderland, Leicester, St Albans and Great Britain (1981)

<table>
<thead>
<tr>
<th>Socio-economic group</th>
<th>Percentage of labour force</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sunderland</td>
</tr>
<tr>
<td></td>
<td>M</td>
</tr>
<tr>
<td>1 Employers</td>
<td></td>
</tr>
<tr>
<td>(large est)</td>
<td>4</td>
</tr>
<tr>
<td>2 Employers</td>
<td></td>
</tr>
<tr>
<td>(small est)</td>
<td>5</td>
</tr>
<tr>
<td>3 Professionals</td>
<td></td>
</tr>
<tr>
<td>(self-employed)</td>
<td>-</td>
</tr>
<tr>
<td>4 Professionals</td>
<td></td>
</tr>
<tr>
<td>(employees)</td>
<td>2</td>
</tr>
<tr>
<td>5 Intermediate</td>
<td></td>
</tr>
<tr>
<td>non-manual</td>
<td>6</td>
</tr>
<tr>
<td>6 Jun non-man</td>
<td>8</td>
</tr>
<tr>
<td>7 Pers service</td>
<td>1</td>
</tr>
<tr>
<td>8 Foremen</td>
<td>4</td>
</tr>
<tr>
<td>9 Skilled man</td>
<td>38</td>
</tr>
<tr>
<td>10 Semi-sk man</td>
<td>15</td>
</tr>
<tr>
<td>11 Unsk man</td>
<td>8</td>
</tr>
<tr>
<td>(Own account) Farmers</td>
<td>9</td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
</tbody>
</table>

Source: 1981 Census of Population (based on a 10% sample)

The three labour markets were also chosen to reflect varying levels of unemployment. Table 2.5 shows the unemployment rates for the three areas from September 1978 to September 1983. This then includes a period up to the launch of YTS and the unemployment rate for the first year of the schemes.
In all areas the rates of unemployment have increased significantly over this period. Proportionately, the rise in unemployment in St Albans is most severe although the actual rate and absolute numbers remain much lower than the average for Great Britain as a whole and the Sunderland and Leicester areas. Leicester too has maintained a below average rate of unemployment although as can be seen, the absolute number of unemployed is not considerably lower than in Sunderland. Sunderland has always had a much higher rate of unemployment than the national average.

Unemployment has a disproportionate effect on workers. In Sunderland the high unemployment rates are due to the decline of heavy engineering, such as ship building, and the closure of branch factories. Unemployment has, therefore, been felt by those in skilled and semi-skilled manual work. In Leicester the decline in engineering has also had an effect on manual occupations although the broader industrial base has offset the effect on manual work overall.

The pattern of employment opportunities for young workers is somewhat different for all workers as a whole. As was shown in the Youth in the Labour Market study (Ashton et al 1982) young workers are concentrated in particular industries. In Sunderland, this appears to be construction and distribution for males and clothing and footwear and insurance and banking for females. In Leicester young males were over represented in mechanical engineering and construction. Young females were found concentrated in textiles. In St Albans the distributive trades had a higher proportion of young employees than was the case for adult workers. A high number of young workers were also found in engineering.(1)

(1) In Ashton et al (1982) these figures were compiled from careers office returns. Although an attempt was made to update the figures, changes in employment and careers office registration reduced the ability of the careers service to account for school leaver destinations.
<table>
<thead>
<tr>
<th>Date</th>
<th>Sunderland</th>
<th>Leicester</th>
<th>St Albans</th>
<th>Gt.Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.78</td>
<td>18,834</td>
<td>12,365</td>
<td>2,407</td>
<td>1,446,708</td>
</tr>
<tr>
<td>12.78</td>
<td>17,044</td>
<td>11,767</td>
<td>1,875</td>
<td>1,303,198</td>
</tr>
<tr>
<td>3.79</td>
<td>17,071</td>
<td>11,997</td>
<td>1,814</td>
<td>1,339,806</td>
</tr>
<tr>
<td>7.79</td>
<td>18,053</td>
<td>12,211</td>
<td>2,122</td>
<td>1,392,021</td>
</tr>
<tr>
<td>9.79</td>
<td>17,194</td>
<td>11,980</td>
<td>1,818</td>
<td>1,324,969</td>
</tr>
<tr>
<td>12.79</td>
<td>16,528</td>
<td>11,791</td>
<td>1,586</td>
<td>1,292,040</td>
</tr>
<tr>
<td>3.80</td>
<td>17,220</td>
<td>11,855</td>
<td>1,658</td>
<td>1,411,710</td>
</tr>
<tr>
<td>6.80</td>
<td>19,228</td>
<td>14,025</td>
<td>2,125</td>
<td>1,586,645</td>
</tr>
<tr>
<td>9.80</td>
<td>21,281</td>
<td>17,813</td>
<td>3,106</td>
<td>1,950,151</td>
</tr>
<tr>
<td>12.80</td>
<td>22,675</td>
<td>20,025</td>
<td>3,393</td>
<td>2,150,477</td>
</tr>
<tr>
<td>2.81</td>
<td>24,076</td>
<td>21,977</td>
<td>3,866</td>
<td>2,363,445</td>
</tr>
<tr>
<td>6.81</td>
<td>25,946</td>
<td>24,474</td>
<td>4,317</td>
<td>2,576,637</td>
</tr>
<tr>
<td>9.81</td>
<td>27,654</td>
<td>27,947</td>
<td>5,454</td>
<td>2,884,827</td>
</tr>
<tr>
<td>12.81</td>
<td>26,367</td>
<td>25,068</td>
<td>4,939</td>
<td>2,831,971</td>
</tr>
<tr>
<td>3.82</td>
<td>26,391</td>
<td>24,695</td>
<td>4,988</td>
<td>2,881,553</td>
</tr>
<tr>
<td>6.82</td>
<td>27,752</td>
<td>25,397</td>
<td>5,024</td>
<td>2,945,169</td>
</tr>
<tr>
<td>9.82</td>
<td>29,940</td>
<td>31,063</td>
<td>6,004</td>
<td>3,215,121</td>
</tr>
<tr>
<td>12.82</td>
<td>27,867</td>
<td>26,267</td>
<td>5,627</td>
<td>2,984,687</td>
</tr>
<tr>
<td>3.83</td>
<td>28,282</td>
<td>27,049</td>
<td>6,175</td>
<td>3,058,721</td>
</tr>
<tr>
<td>6.83</td>
<td>27,972</td>
<td>26,033</td>
<td>5,798</td>
<td>2,870,510</td>
</tr>
<tr>
<td>9.83</td>
<td>29,907</td>
<td>27,686</td>
<td>6,055</td>
<td>3,043,715</td>
</tr>
</tbody>
</table>

Source: Employment Gazette area statistics of employment, Oct 78 - Oct 83
With the increasing number of young people on government schemes, true levels of youth unemployment are difficult to assess. In Sunderland, the careers service estimated that without YOP it would have been about 80% in 1981 for the school leaver group. This was much lower in Leicester although the careers service still estimated a rate of about 50%. Although in absolute numbers the problem of youth unemployment was not seen as being as severe in St Albans, the careers service still estimated a rate of between 30 and 50%.

Youth Employment and the YTS

Chapter Eight outlines the way in which the YTS was planned and the criteria intended to govern the negotiation of places. In the discussion of the emergence of the YTS information was presented on potential school leaver population, numbers staying at school or in further education and those expecting to find work or go on to government schemes. It also gave a general picture of the main types of YTS provision by managing agent type.

The following three tables give a more elaborate account of the YTS by OTF. In Leicester and Sunderland information was also provided on the number of places careers office staff estimated were needed for each OTF. This information was used by local MSC staff during the planning of YTS provision. Unfortunately similar information was not available for St Albans. The tables are an attempt to give a fair view of YTS provision by OTF. However, they were calculated from information on schemes from a variety of sources. Notes are given on each of the tables which elaborate this or other relevant details relating to source information. The tables relating to the three areas by OTF are not strictly comparable. A commentary on the provision of YTS by OTF which these tables relate to is contained in Chapter Eight.
## Table 2.6

**YTS Provision : Leicester (1982-83)**

<table>
<thead>
<tr>
<th>OTF</th>
<th>Careers Office Estimates</th>
<th>Estimated Provision (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Administrative, Clerical + Office Services</td>
<td>479</td>
</tr>
<tr>
<td>2</td>
<td>Agriculture, Horticulture Forestry + Fisheries</td>
<td>110</td>
</tr>
<tr>
<td>3</td>
<td>Craft + Design (inc. construction)</td>
<td>468</td>
</tr>
<tr>
<td>4</td>
<td>Installation, Maintenance + Repair</td>
<td>189</td>
</tr>
<tr>
<td>5</td>
<td>Technical + Scientific</td>
<td>50</td>
</tr>
<tr>
<td>6</td>
<td>Manufacturing + Assembly ) )- )</td>
<td>605</td>
</tr>
<tr>
<td>7</td>
<td>Processing )</td>
<td>335</td>
</tr>
<tr>
<td>8</td>
<td>Food preparation + services</td>
<td>60</td>
</tr>
<tr>
<td>9</td>
<td>Personal services + sales</td>
<td>489</td>
</tr>
<tr>
<td>10</td>
<td>Community + Health Services</td>
<td>205</td>
</tr>
<tr>
<td>11</td>
<td>Transport Services</td>
<td>205</td>
</tr>
</tbody>
</table>

Source: Careers Service Records, Leicester

(1) Many of the schemes running in Leicester, particularly Mode B1 were multi-OTF. Wherever possible, this has been broken down into OTF's. However, where such information was not obtainable a reasonable estimate of the breakdown has...
been given. Information on LCU places was not available and in some OTF's, particularly OTF 1 and OTF 9 a substantial number of YTS places were omitted from career service records. The careers service had a total of 506 LCU places known to them but not categorized by OTF. These have been divided as follows:

- OTF 1  approx  60
- OTF 2  -
- OTF 3  approx  200
- OTF 4  -
- OTF 5  approx  20
- OTF 6)  approx  90
- OTF 7)
- OTF 8  approx  16
- OTF 9  approx  120
- OTF 10  -
- OTF 11  -
Table 2.7

YTS Provision: St Albans (1982-83)(1)

<table>
<thead>
<tr>
<th>OTF</th>
<th>Mode A</th>
<th>Mode B</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Clerical(2)</td>
<td>204</td>
<td>-</td>
<td>204</td>
</tr>
<tr>
<td>2 Agriculture + Outdoor</td>
<td>105</td>
<td>15</td>
<td>120</td>
</tr>
<tr>
<td>3 Craft + Design(3)</td>
<td>200</td>
<td>-</td>
<td>200</td>
</tr>
<tr>
<td>4 Installation, Maint + Repair</td>
<td>90</td>
<td>50</td>
<td>140</td>
</tr>
<tr>
<td>5 Scientific + Technical</td>
<td>29</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td>6 Manufacturing + Assembly(4)</td>
<td>10</td>
<td>36</td>
<td>46</td>
</tr>
<tr>
<td>7 Processing</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8 Catering</td>
<td>39</td>
<td>-</td>
<td>39</td>
</tr>
<tr>
<td>9 Retail + Personal Services(5)</td>
<td>181</td>
<td>-</td>
<td>181</td>
</tr>
<tr>
<td>10 Community + Health Services</td>
<td>2</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>11 Transport Services</td>
<td>5</td>
<td>-</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Careers Service Records, St Albans
Notes

(1) This table is compiled from figures given by two careers offices, St Albans and Welwyn and Hatfield. It includes places relating to areas which are not part of the study area. A certain amount of double counting is inevitable, and it therefore can only be used as a rough guide.

(2) LCU places were an unknown quantity at the time of the study and were estimated by careers service staff on the basis of those they knew about.

(3) In the actual area of design and craft there was no YTS provision. However OTF 3 includes construction. The 200 places are county-wide, not reducible to a specific area.

(4) Most of these places were provided under Mode B. Some of the places could be placed in OTF 7 as it was basically a multi-skills work introduction course.

(5) This includes an estimated number of LCU places; about 100.
<table>
<thead>
<tr>
<th>OTF</th>
<th>Careers Office Demand</th>
<th>Mode A</th>
<th>Mode B</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agriculture, Forst + Fishing (2)</td>
<td>151</td>
<td>13</td>
<td>217</td>
</tr>
<tr>
<td>2</td>
<td>Catering, Bakery + + Food Industry</td>
<td>260</td>
<td>50</td>
<td>148</td>
</tr>
<tr>
<td>3</td>
<td>Clerical, Admin + Office</td>
<td>473</td>
<td>432</td>
<td>80</td>
</tr>
<tr>
<td>4</td>
<td>Community, Health + Social Service</td>
<td>332</td>
<td>-</td>
<td>225</td>
</tr>
<tr>
<td>5</td>
<td>Construction + Alld Services</td>
<td>360</td>
<td>97</td>
<td>294</td>
</tr>
<tr>
<td>6</td>
<td>Computer + Eletrnc Data Processing</td>
<td>43</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>Art, Craft + Design Occupations</td>
<td>80</td>
<td>6</td>
<td>25</td>
</tr>
<tr>
<td>8</td>
<td>Electrical + Electcs</td>
<td>101</td>
<td>68</td>
<td>25</td>
</tr>
<tr>
<td>9</td>
<td>General Manfct + Processing</td>
<td>235</td>
<td>195</td>
<td>101</td>
</tr>
<tr>
<td>10</td>
<td>Police + Civil Avtn</td>
<td>323</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Mechl Engineering</td>
<td>244</td>
<td>186</td>
<td>67</td>
</tr>
<tr>
<td>12</td>
<td>Motor Veh + Garage</td>
<td>210</td>
<td>72</td>
<td>100</td>
</tr>
<tr>
<td>13</td>
<td>Entertainment + Sports Occupations</td>
<td>186</td>
<td>52</td>
<td>-</td>
</tr>
<tr>
<td>14</td>
<td>Sales, Personal + Assc Services</td>
<td>445</td>
<td>515</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>Technical + Scientific</td>
<td>53</td>
<td>4</td>
<td>24</td>
</tr>
<tr>
<td>16</td>
<td>Warehouse + Distribution</td>
<td>150</td>
<td>48</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Careers Service Records, Sunderland
Notes

(1) This table is based on the 16 OTF's used by Sunderland careers service. It also includes a comparison of careers service demand for places by actual provision.

(2) Not included in this figure are approximately 74 places outside the area which young people in Sunderland could take up. There are also a substantial number of LCU places the careers service could not supply information on. These have not been included in this table.
APPENDIX THREE

RESEARCH INSTRUMENTS

Appendix Three gives examples of some of the interview checklists used in the fieldwork for this study. As mentioned in Chapter Two there was no standardised interview schedule. Interviews with careers or MSC staff were not comparable with those of managing agents. However, even managing agents did not have a standardised interview schedule and as it became more obvious that managing agents who were employers were in a different situation to training groups and organisations a series of interview checklists emerged to take account of these factors. Checklists were also amended throughout the study. The following checklists are intended, therefore, to give a fair picture of the research instruments, taking into account the non-existence of a "sample" as such. It should be noted, however, that because the interviews were only semi-structured the subject matter of an interview was usually much wider than the content suggested by the checklist.

1 Interviews with careers and MSC staff

It is difficult to present 'a checklist' which demonstrates the range of issues covered with careers service staff in the three areas. In St Albans and Sunderland careers office staff were visited and interviewed once on a formal basis but supplied information throughout the course of the study on a more informal basis. Checklist A gives an example of the main issues covered in the formal interview. In total two careers officers in each area were interviewed.

The situation in Leicester was somewhat different given the focus of the fieldwork in this area. The interviewing was more intensive and a balance between more formal 'interviews'
with careers staff on a regular basis throughout the study and less formal information gathering. Whilst the more formal interviews were by far the most important part of the data gathering exercise, maintaining a regular presence within the careers office gave invaluable insight into the launch of the YTS. Checklist B is the outline of a second interview with the head of the special measures unit. Thereafter, 'interviews' were between two weeks to a month apart. They tended to follow on from the previous interviews so, for example, similar questions were asked in order to obtain an idea of change. If important issues had been raised at an interview these would be brought up at the next meeting.

Checklist B does not include questions on the employment prospects of young people, school leaver destinations and so on. This type of information was obtained from the information and research officer at the careers service, as was more general information on the careers office organisation.

MSC staff were not interviewed in St Albans and Sunderland. However, the Programmes Development Officer at Leicester was interviewed during the planning and negotiation of YTS places. The checklist used for this purpose was very similar to those for careers office interviews, amended as appropriate. It also concentrated more on the objectives of YTS, interpretation of criteria and approval of YTS places.

2 Interviews with managing agents

As mentioned above, there was no standardised interview checklist for managing agents, although there were a core set of issues to be raised. Managing agents who participated in NTP schemes in the year prior to YTS were interviewed twice. As part of the interviewing in the year preceding YTS, industrial co-ordinators in three colleges with responsibility for NTPs and YTS were interviewed. These
interviews were concerned with both the NTPs and the broader issue of the college's response to and future role in the YTS.

Checklist C gives an example of a checklist used in an interview with a private training organisation running an NTP. The interviews were conducted prior to the launch of the YTS and so a section was included on future plans. Checklist D gives an example of a interview checklist for an employer acting as a managing agent. As can be seen, this is similar to Checklist C but for YTS rather than NTP. However, employers were asked more about their use of the scheme and the potential work opportunities for trainees. It was also possible to ask employers whether the form of YTS and the minimum level of training was in their view appropriate. The checklist for private training organisations, colleges and training groups was similar. The main difference was that the section on employment was more indirect. A greater attempt was made to ascertain the involvement of employers in the scheme and the relationship between the off-the-job training and the work placement.

Tables 3.1 and 3.2 give a tabular description of managing agents interviewed in Leicester, St Albans and Sunderland. Written information on schemes in the three areas was also obtained from other managing agents not shown on the following tables.
St Albans and Sunderland Careers Service Interview Checklist

1 Organisation

- structure and organisation of careers service in county and this office
- numbers employed as careers offices, employment assistants and unemployment specialist officers
- existence, if any, of a separate special measures unit within the careers office
- who handles contact with local MSC office (e.g. careers officer/special measures unit).

2 Young People and Employment

Background information:
- school leaver group, schools, colleges etc.
- usual destinations of school leavers, e.g. work, unemployment, FE, YOP
- changes of above in last 5 years
- main areas of employment for young people in the area
- type of employment, e.g., existence of apprenticeships, and assessment of training opportunities
- types of employer, e.g. is area typified by large employers etc.
- statistical information on above where relevant.

3. Pilot Schemes

General
- details of pilot schemes, course name, sponsor, numbers on each scheme, and if possible, a brief description of them all (e.g. target group, levels, outline)
Recruitment
-how were young people recruited/informed of the courses (e.g. the mechanism - called into office, random etc.)
-how were young people selected for courses, e.g. job preference, motivation, self selection, qualifications, testing etc.
-were careers officers involved in any guidance work before young people were submitted to courses
-are careers officers involved with monitoring of pilots
-were the careers service solely responsible for placing of young people on pilot schemes
-(if no to previous question) is there evidence to suggest employers recruited the best applicants for their schemes.

Profiling and Certification
-do companies take any part in profiling on the schemes
-do any of the courses award certificates of attainment, City and Guilds, RSA qualifications etc.
-do any of the college courses enable young people to gain the same qualification as they could normally do so at college.

4 YTS
The Steps Being Taken to Implement YTS
-ideas about the courses/schemes
-careers officer involvement in setting up schemes (with MSC)
-how many places will be available on YTS next year (if known)
-how calculated
-target group numbers (if known)
-industrial/occupational

Employer Reaction
-how are employers responding to YTS in this area
-possibility of achieving 70 - 30 split between Mode A and Mode B sponsors
-what types of employers running schemes

300
Recruitment
- general ideas as to how the office thinks recruitment and selection to schemes will take place
- will careers service perform sole placing function (or will employers be allowed to do own recruiting) - opinion on the matter if not known
Checklist B

Leicester Careers Service (SMU) Interview (2nd Interview)

1  Special Measures Unit
- organisation (and history) of SMU
- relationship of SMU to rest of careers service
- relationship of SMU to MSC
- role of SMU in implementation of YTS.

2  Pilot Schemes (NTP's)
- general information on pilots
- recruitment to pilot schemes
- selection process and criteria
- careers office involvement (if any)
- assessment of pilots.

3  YTS
- generally what "stage" are they at with regards to setting up YTS
- careers office/SMU involvement in planning
- planning criteria, numbers etc.
- attitudes of careers staff to YTS
- difficulties faced (if any)
- employer response to date and likely organisation of scheme (with respect to Mode A and Mode B)
- use of OTF's.
Checklist C

Course Sponsor Checklist (Private Training Organisation)

1  **Background**
   - type of organisation, history etc.
   - training activities
   - numbers of staff, roles etc. and background
   - involvement with MSC programmes
   - what proportion of their work is MSC funded.

2  **Pilot Schemes (NTP)**
   - background to setting up pilot
   - contact with MSC/careers
   - was it seen as a 'pilot' prior to YTS (and did they envisage similar form)
   - staff reaction (if appropriate) to MSC schemes and additional recruitment.

3  **The Scheme**
   - outline of scheme, type of training etc.
   - work experience/training content
   - job specific v. broad (social and life skills component)
   - how broad based/'transferable' skills are (and what do they mean)
   - what average trainee expected to achieve
   - CFE content (if any)
   - certification (if any) and other assessment
   - counselling/guidance component.

4  **Work Placements and Employers**
   - how work placements obtained
   - range of placements/types of employers
   - how important work placements are seen
   - what contact maintained with employers (and trainees on work placements)
   - whether trainees have been offered work as a result of their placements
-attitude of employers to the scheme
-perception of employers use of scheme.

5 Recruitment
-how were trainees recruited to the scheme
-minimum/maximum criteria (qualifications/attitudes etc.)
-use of testing
-response to scheme
-numbers interviewed, offered places, rejected (reasons for refusing place if appropriate)
-how are trainees placed with employers.

6 General
-what do they think about the scheme (particularly with respect to the training content)
-attitudes towards young people (what their perception of the problem is)
-attitudes towards other types of training (e.g. CFE)
-response to criticisms of YOP/YTS who do they feel should bear the cost of training.

7 YTS
-plans for YTS and progress to date
-attitudes towards YTS
-proposed content of scheme (where known)
-any other comments.
Checklist D

Interview Checklist for Employers Acting as a Managing Agent

1  Background
-nature of firm/business
-size, employees etc.
-organisation (brief)
-state of business at the moment and plans for the future.

2  Employment of Young People
-work for which young people recruited
-training carried out
-use of WEEP
-changes in above
-means by which young people recruited (criteria used)

3  NTP
(ask if interviewed previously)
-outcome of NTP, destinations of trainees (if known)

4  YTS - planning
- how came to be acting as a managing agent
-how scheme set up
-contact with MSC/careers
-numbers of places, general type
-timing of planning, launch etc.
-any difficulties/problems faced in setting up the scheme

5  YTS - Training
-overall structure and content of the scheme
-OTF related to an type of training
-emphasis on job specific/process training
-how 'broad' is the training (and what does employer feel constitutes 'broad' training)
-how does MSC criteria square with own perception of 'need'
-emphasis on social/life skills and less work related training
- certification and assessment
- where off-the-job training carried out.

6  YTS - Recruitment
- how young people recruited for YTS
- use of careers service/press advertisements etc.
- status of trainees in relation to other employees
- minimum/maximum criteria
- use of testing
- response to scheme
- numbers interviewed, offered places, rejected (reasons for refusing place if appropriate)
- potential use of trainees (e.g. as employees etc.)

7  General
- overall attitudes to the scheme (including relationship with MSC/careers)
- views on the funding of YTS (lead on to question of who should bear the cost of training)
- attitudes towards young people
- attitudes to other types of training (e.g. apprenticeship where relevant, CFE, private trainers)
- response to criticisms of the YTS.

8  Future Plans
- do they propose to continue running YTS (if not, why not)
- will it take a similar form (what changes would they make if possible)
- do they see YTS as a new means of recruiting young people and is it likely to open up or increase opportunities for work (if so, in what occupations)
- any other comments.
Table 3.1

Interviews carried out in Leicester(1): Managing Agent Type by OTP and number of places covered.

<table>
<thead>
<tr>
<th>Interview Number (2)</th>
<th>Managing Agent</th>
<th>OTPs covered</th>
<th>No. of Places covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Private Retail/Clerical</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Employer Retail</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Training Group</td>
<td>Engineering 280</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Training Group</td>
<td>Distribution/Transport Services 105</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Employer Clerical/Engineering</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Employer Clerical/Catering</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Training Board</td>
<td>Catering 50</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Employer Retail</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Private Clerical</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Private Clerical</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Private Clerical</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Training Association</td>
<td>Craft/Design/Transport Services 60</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Training Group</td>
<td>Manufacturing 200</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Employer Clerical</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Training Group</td>
<td>Manufacturing 40</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Employer Craft/Design</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>

Notes: (1) The number of places includes in some cases, places allocated for young people outside the Leicester area.

(2) The majority of these managing agents were visited on more than one occasion. The table does not include interviews carried out with managing agents of NTPs.
Table 3.2
Interviews carried out in St Albans and Sunderland: Managing Agent Type by OTF and number of places covered. (1)

<table>
<thead>
<tr>
<th>Interview Number</th>
<th>Managing Agent Type</th>
<th>OTFs covered</th>
<th>No. of places covered</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>St Albans</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Employer (consortium)</td>
<td>Clerical/Outdoor</td>
<td>50</td>
</tr>
<tr>
<td>2</td>
<td>Employer</td>
<td>Clerical/Transport services/Catering</td>
<td>26</td>
</tr>
<tr>
<td>3</td>
<td>Training Board</td>
<td>Catering</td>
<td>18</td>
</tr>
<tr>
<td>4</td>
<td>Employer</td>
<td>Clerical/Craft and Design</td>
<td>30</td>
</tr>
<tr>
<td>5</td>
<td>Mode B2</td>
<td>Engineering/Multiskills/Clerical/Community Care</td>
<td>95</td>
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<tr>
<td></td>
<td></td>
<td>Sunderland</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Private</td>
<td>Clerical/Retail Distribution</td>
<td>180</td>
</tr>
<tr>
<td>7</td>
<td>Private</td>
<td>Clerical</td>
<td>100</td>
</tr>
<tr>
<td>8</td>
<td>Training Group</td>
<td>Engineering</td>
<td>200</td>
</tr>
</tbody>
</table>

Notes: (1) As specified interviews with managing agents in St Albans and Sunderland were intended only to give a contrast to the more extensive fieldwork carried out in Leicester. No attempt was made to cover a range of OTFs, nor to obtain a representative sample of managing agents within the areas. Where possible, schemes were chosen to contrast with similar YTS provision in Leicester.
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STATE INTERVENTION INTO THE LABOUR MARKET FOR YOUTH: The Implementation of the Youth Training Scheme in Three Local Labour Markets

Jill Turbin

This thesis examines the way the state intervenes in the labour market for youth through an analysis of the implementation of the Youth Training Scheme. It adopts a dynamic model of policy formulation and delivery to explore the extent to which the state is able to compensate for the crises of contemporary capitalism.

The first part of this thesis looks at the way in which theories of the state translate into theories of state intervention and the assumptions these make of the ability of the state to intervene. It argues that current theories do not adequately consider the way in which policy is continually renegotiated throughout its delivery. The failure to consider the institutional form of the state has lead to both normative and conspiratorial theories of state intervention. These have commonly considered the outputs of policy rather than its delivery. It is also maintained that policy analysis has not systematically related the evaluation of policy to a theory of the state.

The second part analyses the implementation of the Youth Training Scheme as an example of an intervention by the state into the labour market. It shows, through an empirical analysis that policy objectives are renegotiated throughout the delivery of the programme. In particular the research looks at the way in which the Youth Training Scheme emerged in three constrasting labour markets. The research focusses on the recruitment to, and training within, schemes to illustrate the effects of labour market structure on the outcome of the programme.

This analysis takes into account the structure into which policy is delivered as well as the institutional constraints on policy implementation. By using the dual focus of the state and the capital/labour relationship a framework for the analysis of policy in the sphere of production is developed.