



Prime Minister ^①

Agree, subject to
colleagues?

cc TF

AT 6/12

PRIME MINISTER

REVIEW OF THE HOTEL AND CATERING INDUSTRY TRAINING BOARD

Yes
no

1 You will recall that following the general review of industrial training boards in 1981, my predecessor said that the Government would look again at the Hotel and Catering Industry Training Board in 1983.

2 At our request the Manpower Services Commission earlier this year undertook a further review of training arrangements in the hotel and catering industry. The Commission recommended that the Board should be retained.

3 In considering the Commission's report and recommendation, I have taken into account the evidence that the Board is moving towards putting its activities on to a commercial basis, so reducing the levy burden on employers in scope; the absence of proposals for credible voluntary arrangements that might replace the statutory board; and the fact that the Commission's advice was unanimous. After further discussions with employers and others in the industry, I have decided to accept the Commission's recommendation not least because of the prospect of the Board moving towards a no-levy situation. I attach a copy of a written reply which Peter Morrison intends to make in the House within the next few days, announcing that the Board is being retained in its present form.

4 I am copying this note to E(A) colleagues, Sir Keith Joseph and Sir Robert Armstrong.

T K

5 December 1983

Draft arranged question

To ask the Secretary of State for Employment, whether he has yet reached a decision on the Manpower Services Commission's recommendation about future training arrangements in the hotel and catering industry; and if he will make a statement.

Draft reply

Earlier this year, the Manpower Services Commission undertook at my request a review of training arrangements in the hotel and catering industry. The Commission considered the report of that review at its meeting on 29 July and unanimously recommended that the Hotel and Catering Industry Training Board should be retained.

My rt hon friend and I have subsequently considered very carefully the Commission's report and recommendations. I have also discussed the matter with representatives of both sides of the industry, and taken into account the responses to further consultations the Commission has undertaken at my request with major employers in scope to the Board.

In the light of this evidence, we have decided to accept the Commission's recommendation that the Board should be retained with its existing scope. In doing so we have taken into account the Board's commitment, reflected in its current 5 year plan and endorsed by both sides of the industry, to continue to work towards eliminating unnecessary bureaucracy, increasing its receipts from commercial sources and reducing the costs falling to be met by employers generally. We are confident that, now uncertainty about the Board's future has been removed, it will be able to concentrate its efforts on further developing its strategy in a way which encourages employers to accept responsibility for meeting their own training needs and reflects the circumstances of the industry.

Emp. Measures
AT 8/12

CONFIDENTIAL

bc Mr. Owen

DA



10 DOWNING STREET

From the Private Secretary

7 December 1983

Review of the Hotel and Catering Industry Training Board

The Prime Minister has seen your Secretary of State's minute of 5 December. Subject to the views of colleagues, she accepts the recommendation that the HCITB should be retained with its existing scope.

I am copying this letter to Private Secretaries to Members of E(A), to Elizabeth Hodgkinson (Department of Education and Science) and to Richard Hatfield (Cabinet Office).

Andrew Turnbull

Barnaby Shaw, Esq.,
Department of Employment.

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