

① Lord Youngs also supports extending the cost per job
PRIME MINISTER analysis beyond direct 24 April 1985
 job creation schemes to projects where jobs are used as
 a significant argument. Agree?

AT Yes
 25/4 mb

COST-EFFECTIVENESS OF JOBS MEASURES

The Chief Secretary is right to urge that job creation schemes should be rigorously analysed and compared, so that the net Exchequer cost of each can be firmly established. The same rigour should apply to any project from any Department where the generation of jobs is advanced as a significant argument in its favour. The manpower group is a suitable forum in which to clarify the details of such costings.

We strongly recommend that you should write to the Chief Secretary, welcoming his proposal, and asking other Departments to come forward with appropriate data for the manpower group to consider. This will help to prevent Ministers bringing forward immensely expensive programmes supported by spurious arguments about their job-creating effects.

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