

The Real Alternative

Manifesto Text



Applicability note:

Liberal Democrats have championed the devolution of powers to Scotland and Wales, and many decisions made in Westminster now apply to England only. That means that policies in those nations are increasingly different from those in England – reflecting different choices, priorities and circumstances, and often the influence of Liberal Democrats in government. Our Scottish and Welsh Parties will publish their own manifestos, based on this document but reflecting those differences. This manifesto sets out our plans for a Liberal Democrat government in Westminster.

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Introduction by Charles Kennedy

I believe that the 2001 – 2005 parliament will be remembered as the period during which the Liberal Democrats came of age, ushering in a new era of truly three-party politics. That is why we enter this General Election campaign with such optimism, unity of purpose and public goodwill.

We have been tested – inside and outside parliament – as never before. We have stuck to our principles: from our opposition to the war in Iraq to our defence of fundamental civil liberties over control orders. Again and again, we have been the real opposition to Tony Blair's increasingly discredited Government – over Council Tax, top-up and tuition fees, and ID cards.

The challenge – and the opportunity – is now to provide the real alternative at this election. That is what this manifesto is all about – detailing our analysis and policy ambitions; and all of it is underpinned by costed and credible pledges. We are determined that what we promise can be achieved. Our figures, based on official costings, all add up. And at the heart of our programme is a determination to achieve a fairer and more straightforward tax system which delivers the social priorities we believe that people want.

The mark of a decent society is one which creates opportunity for young people and provides security and dignity for those in their older years. At both ends of the age spectrum, we believe that Britain must do better. That's why we set our commitment to abolishing student top-up and tuition fees alongside our determination to guarantee free long-term personal care for the elderly. And we can point with pride to the example of Scotland, where Liberal Democrat ministers in government have already delivered both these policies. In addition, we would scrap the Council Tax and replace it with a fair system based on people's ability to pay.

Society is still scarred by inequality. Tackling that is a priority for the Liberal Democrats. For example, it's time that we redressed the scandalous discrimination against women in the state pension system. We propose a 'citizen's pension', based on residency instead of national insurance contributions, which would – at last – provide women who have spent time caring for children and elderly parents a pension in their own right.

In addition, we remain proud of a Britain which is enriched precisely because it is a multi-racial, multi-ethnic society. We will not pander to fear and prejudice. We offer fair and effective policies over the distinct issues of asylum and immigration.

Through all our thinking, there is a green thread of environmental awareness and urgency. We are by far the greenest of the three main UK political parties and this manifesto again confirms that fact.

It is a privilege at this election to be leading the most socially progressive party in British politics. Our priorities here at home are clear; our instinctive internationalism – through positive and proactive engagement with Europe, the United Nations and the Commonwealth – is definitive.

I am ambitious for the Liberal Democrats and the Liberal Democrats are the real alternative at this election. Please read, reflect – and if you like what we stand for, your support can make the difference.

Our Principles

Freedom. Fairness. Trust. These are the qualities of the British people at their best, and they are the guiding principles of the Liberal Democrats.

This manifesto is built on these principles – principles that we believe must underpin the government of this country, but which are too often lacking in public life today.

Freedom – because Liberal Democrats believe that individuals should govern their own lives, free from unnecessary interference by government or society. So we want to build a society which gives individual men and women opportunities to pursue their aims, develop their talents and shape their successes. A country where people are free to shape their future is stronger, wealthier, happier, and more fulfilled.

Fairness – because ill-health, disability, poverty, environmental pollution and the fear of crime curtail freedom, just as much as discriminatory laws or arrest without trial. So we want government to provide the essential requirements that everyone needs to make real choices in their lives – a good education, a decent pension, a clean environment, effective policing and high quality healthcare. And we want to see fairness too in the way in which taxes are raised and minorities are treated.

Trust – because to deliver freedom and fairness, we need to give citizens the power to hold government to account. So we want to see government brought closer to the people it is meant to serve – which is why we are committed to curtail the personal power and patronage of the Prime Minister, strengthen British democracy, and hand many powers back from central government to local neighbourhoods, with real democratic control over those who wield power.

Throughout this manifesto we explain how we will put these beliefs into practice creating a society where people are more free, where government exercises its powers more fairly, and where the bond of trust is re-established between the people and their government.

Throughout this manifesto, we recognise our responsibility to future generations, to protect the precious environment that sustains all life on the planet. Policies for environmental sustainability are therefore set out in every area – because for us, environmental policy is not an optional extra but an integral part of the way in which we will govern.

Throughout this manifesto, we show how we can help achieve these aims through Britain playing a leading role in Europe and on the wider international stage, building effective global institutions and acting in accordance with international laws – because in an ever more globalised and interdependent world, isolation is in none of our interests.

Throughout this manifesto you will find this Liberal Democrat approach. Freedom. Fairness. Trust.

Costings

Liberal Democrats are open and straightforward about how we will pay for our policies. At the last three general elections we set out full details of how much our policies would cost and how we would pay for them. None of the other parties did this.

Labour has increased spending, an increase only the Liberal Democrats were honest enough to propose at the last election. Given this growth in spending, most of our proposals at this election can be funded from savings in current budgets. This means switching around £5 billion each year from low-priority government programmes in order to fund our key proposals. Our savings include:

- **Cutting subsidies.** By abolishing the Department of Trade and Industry and ending unnecessary subsidies we will save approximately one third of the Department's expenditure. This will be re-invested instead in our priorities set out in this manifesto.
- **Using the money set aside for the Chancellor's Child Trust Fund to cut class sizes in primary schools.** The Child Trust Fund will cost almost £1.5 billion over a parliament to give cash handouts when today's babies reach 18. It's better for these children to benefit from the money now, in their early years, by cutting class sizes.
- **Not introducing ID cards.** Hundreds of millions can be saved by not introducing ID cards. That money would be better spent on increasing the number of police on the streets by 10,000 and providing them with the technology to make them more effective.

We will also make taxes fairer – cutting costs for most people. At present, people on low incomes or in old age have to pay a higher proportion of their income in taxes and government charges than those who are much better off. That cannot be right. Today, under Labour, the poorest 20 per cent of the population pay 38 per cent of their income in tax, compared with just 35 per cent for the richest 20 per cent. That is unfair. Three of our key policies will create a fairer distribution of the costs of public services*:

1. **Scrapping tuition and top-up fees for students.**
Cost: £1.2 billion per year.
2. **Introducing free personal care for elderly and disabled people.**
Cost: £1.7 billion per year.
3. **Keeping down local taxes (as well as basing them on ability to pay).**
Cost: £2.0 billion per year.

These three items will cost £4.9 billion and we will pay for them with one tax change. We will introduce a new 50 per cent rate on the portion of individual income exceeding £100,000 a year. Just one per cent of taxpayers will pay this (because they can afford to) whilst most people will be better off as we abolish student tuition fees, abolish care charges for the elderly, and abolish the Council Tax.

* All figures are for financial year 2006/7.

Matthew Taylor
Chair of the Liberal Democrat Parliamentary Party

Green Action

The environment features on every page of this manifesto – a strong green thread running through everything we do and promise.

Putting Patients First

It is not asking much, surely? A National Health Service that helps you stay healthy, and makes sure that when you do fall ill you are treated quickly, irrespective of wealth or status.

Yet despite the investment now going in – which Liberal Democrats so famously pressed the government to deliver – far too much is still wrong in the NHS.

Older people needing basic care, such as feeding, dressing and washing, are too often forced to pay – sometimes even to sell their homes – despite the Government's own Royal Commission report saying this is wrong.

Instead of doctors and nurses being freed up to give their best to patients, Labour ministers try to pull the strings with pointless targets and endless bureaucracy. Instead of clean wards and the most modern equipment, MRSA and other superbugs are spreading, and scanners lie idle for lack of trained staff.

Labour and Conservative politicians talk about 'choice' – but health care isn't like choosing a supermarket or a pair of shoes. I believe that choice has a place in the NHS, but I don't subscribe to the false idea that choice will solve all its problems. When you have a heart attack or a serious accident, and are rushed to hospital, no one wants to know that if they could have had the choice there's a hospital fifty miles away with better funding and better equipment. What people want is their own local hospital well-funded, well-staffed and well-equipped to give them the best possible chance to survive and recover.

The NHS was conceived by Beveridge, a Liberal, and brought into being by a Labour administration very different from today's Government. Too often hitting the government target means missing the point. It is time to remember the founding principles of the NHS: care, of the highest possible quality, available fairly to all who need it, with doctors free to focus on the patient, not the red tape.

Paul Burstow

Liberal Democrat Shadow Secretary of State for Health

Health

Free personal care. Those towards the end of their lives deserve the best possible care. Liberal Democrats will provide free personal care for elderly people and people with disabilities, for as long as they need it, funded out of our new 50 per cent rate on that part of people's incomes over £100,000. In short, we will implement the recommendations of the independent Royal Commission on Long-Term Care. Liberal Democrats in government in Scotland have already achieved this for elderly people.

Quicker diagnosis for serious conditions – so your NHS treatment is not delayed. Your chances of surviving life-threatening and debilitating illnesses improve the swifter the diagnosis. When a GP considers you may have a serious illness we will make sure you are offered diagnosis by the quickest practical route, public or private, so that the NHS can treat you more quickly. More tests and scans will be available in places like GPs' surgeries and community pharmacies. We will tackle the scandal of expensive scanners being under-used by investing in training, recruitment and retention of the key staff needed to operate them. We will provide more scans at weekends and in the evenings. We will publish waiting times for tests and scans – figures which the Labour Government has refused to make public.

Cut unfair charges – free eye and dental checks, fewer prescription charges. To reduce the risk of illness going undetected we will end the charges for eye and dental check-ups which deter people from coming forward for testing. It is also unfair that some people living with long-term conditions pay no prescription charges, while people with other, equally serious, conditions (such as cystic fibrosis and multiple sclerosis) have to pay. We will extend the range of long-term conditions which qualify for exemption from prescription charges, based on an independent review.

Put patients first – more doctors and nurses, free from Whitehall meddling. We will complete NHS plans to recruit at least an extra 8,000 more doctors, 12,000 more nurses and 18,000 more therapists and scientists by 2008. That will cut waiting times and improve the quality of care. Doctors, nurses and therapists are highly trained and dedicated health professionals, while ministers and civil servants are not. Liberal Democrats will hack away the red tape and abolish the absurd targets set by government, and free frustrated health professionals from demoralising government meddling. Clinical decisions should be taken by health professionals and local investment will be determined by locally elected and accountable people who can be removed by local people if they get it wrong. Scrapping unnecessary centralised targets will mean that your local hospital will have the time and flexibility to put patients first, providing personalised care and cleaner hospitals and treating the sickest the quickest.

High-quality dental care. Many people can't find an NHS dentist to take them on. We will reform NHS dental contracts so that more dentists are encouraged to do more NHS work. This will rebuild the relationship between the dental profession and government which has been badly damaged under Conservatives and Labour. Personal Dental Plans will set out how frequently people should have a check-up, how better to look after their teeth and, for those with serious dental problems, their future course of treatment.

Give people more control over their healthcare. We will encourage regular health 'MoTs' tailored to individual patients' needs, with wider access to screening and blood pressure and cholesterol tests. Tens of thousands of patients die in the NHS every year without access to specialised care and pain management. We will prioritise extending choice and access to these services, including more support for hospices. People with long-term conditions should be entitled to an agreed Personal Care Plan, setting out their course of treatment, where and when they will be treated, and what other help, such as social care, they will receive. We will introduce new legislation to safeguard the rights and welfare of people with mental health problems, allowing them to exercise more control over their treatment. We will end inappropriate age discrimination within the NHS; for example, many older women are not currently invited for the routine breast cancer screening which could save their lives.

Prevention is as important as cure. We will concentrate on helping people stay healthy, as well as caring for them when they fall ill. According to the NHS report, *Securing our Future Health*, the Government's failure to tackle the unnecessary causes of ill-health will cost the NHS an extra £30 billion a year by 2022. If the causes of ill-health aren't tackled, the NHS of the future won't be able to cope – so we will give people the information and opportunities to make healthy choices, for example through clearer food and alcohol labelling. To improve children's health, on top of plans to increase funding for school meals, we will introduce minimum nutrition standards for school meals, as we already have in Scotland; we will restrict advertising of unhealthy food during children's television programmes; and we will require food and drink sold in vending machines on school premises to meet minimum health and nutrition standards. Because second-hand smoke kills, we will ban smoking in all

enclosed public places. Our policies as a whole will help tackle other causes of ill-health, such as poverty, pollution and poor housing.

Green Action:

Clean air and water. Pollution in the air, in water and in the food chain causes or aggravates many illnesses as well as destroying the environment. We support the adoption of the EU Registration, Evaluation and Authorisation of Chemicals (REACH) Directive. This will mean that information becomes available to the public on the consequences of exposure to all chemicals in daily use and that those of high concern are replaced by safer alternatives.

Promote walking and cycling. Fewer school-run car journeys means less pollution, less congestion and fewer road deaths. Children walking or cycling to school also get fitter – but the journey must be safe. Liberal Democrats will encourage and promote nationally what many Liberal Democrat councils already do locally, such as ‘Safe Routes to School’ with calmed traffic, safe pavements, good lighting and adults on hand to conduct ‘walking buses’. We will also provide more cycle routes and reform planning rules to make sure that key services are more easily accessible by foot or bicycle. This will benefit adults as well as children.

“My diagnosis for the NHS is simple really – and the Liberal Democrats share it. More doctors, nurses and health professionals on the front line, free to take professional decisions on the basis of patient need, speedier diagnosis, and effective treatment. Labour’s red tape, and Conservative private subsidies, make no sense.”

Julia Neuberger

Liberal Democrat Health Spokesperson in the Lords and former Chief Executive of the leading health policy institute, the King’s Fund

Ambitious for Every Child

The finest investment our generation can make is to give a high-quality education to the next generation. Nothing sets a child free more than this. If we are successful, each and every child is given the opportunity to unlock their potential. If we fail then we put their whole future at risk.

Before I became an MP I worked for thirty four years as a teacher – the last fifteen as head teacher of one of Britain's largest secondary schools. I taught some of the most disadvantaged children in the country, and I saw at first hand the power of a high-quality education. Indeed, my passion to enter Parliament came because I could no longer stand aside whilst politicians continued to fail our children.

As a head teacher I was utterly dismayed by the way in which Conservative and Labour politicians used education as a political football. Each new education minister had to make their mark by changing the curriculum, increasing red tape, interfering in the classroom and pretending education could be micro-managed from London. Yet not one of them seemed genuinely prepared to fight for the investment needed to reduce class sizes, provide modern equipment, support good discipline and provide a well-trained teacher workforce.

The policies I have helped develop are about addressing these issues. They are about striving for excellence and being ambitious for every child and every student. I want our young people to maximise their potential by being free to choose the most appropriate university course without fear of a mountain of debt. I want them to be able to choose high-quality apprenticeships and skill training – not as a second-best option but ranked alongside traditional academic pathways. And I want to see adults, too, being given the opportunity to acquire new skills to meet the demands of ever-changing technologies and global competition.

Parents are rightly ambitious for their children – I most certainly was for my own. I am proud of what many children already achieve, but more can be done. Quite simply, we must be ambitious for every child.

Phil Willis

Liberal Democrat Shadow Secretary of State for Education and Skills

Education and Skills

No tuition fees, no top-up fees, fair grants – university affordable for every student.

Labour broke their promise on tuition fees. The result: tens of thousands of able students are saddled with mortgage-sized debts or deterred altogether from going to university. Funded from part of our new 50 per cent rate on incomes over £100,000, Liberal Democrats will abolish all tuition fees and make grants available to help poorer students with maintenance costs. That will build on the achievements of Liberal Democrats in government in Scotland. No one will be denied the opportunity of a university education because of the fear of debt, while universities will receive the increased funds they need.

Cut class sizes – using the £1.5 billion Child Trust Fund. Expert opinion confirms what common sense tells us: children well taught and well-cared-for in their early years have a better opportunity to lead successful and rewarding lives. The Government has the wrong priorities, handing out a one-off cash windfall to 18 year-olds at taxpayers' expense through

the Child Trust Fund. Liberal Democrats will use this money better by recruiting 21,000 more teachers to cut infant class sizes from the present maximum of 30 to an average of 20, and junior class sizes to an average of 25. We will extend before and after school provision from 8 a.m. to 6 p.m. for all children and complete 3500 Children's Centres by 2010. Building on our Maternity Income Guarantee, which will raise maternity pay for the first six months to £170 a week instead of £102.80 at present, these policies will give every child the best possible start.

Every child taught English, Maths, Science, Modern Languages, plus Information and Communication Technology, by suitably qualified teachers. The teacher recruitment crisis means that thousands of children are being taught key subjects by staff who are not trained specialists in that subject. Liberal Democrats will guarantee that all children will be taught the core subjects of English, Maths, Science, Modern Languages and ICT by suitably qualified teachers through funding secondary schools to provide the necessary high-quality teacher-training courses in these subjects.

School discipline. Children need to learn in a safe and orderly environment, where high standards of behaviour are upheld, where bullying is challenged effectively and where teachers are able to teach without disruption. Our smaller class sizes will help reduce discipline problems. To deal with more persistent disruption schools will agree externally-monitored 'positive behaviour plans' with parents and pupils. If necessary, local education authorities' Behavioural Support Units will tackle exceptional problems in particular schools. When all else fails we will guarantee that head teachers will have local education authority support for 'managed transfer' to other schools or special units for pupils whose behaviour remains unacceptable.

Time to teach. Children in England are now the most tested in Europe, yet there is little evidence that the Government's obsession with testing and targets has improved standards. Liberal Democrats believe that teachers should be given more time to teach and that testing should have a clear purpose: to improve learning for individual children. We will reduce the level of external testing, replacing compulsory tests at seven and eleven with a system of sampling against national standards. Teachers will regularly assess pupils' performance, using the results to inform teaching and give parents accurate information on their child's progress.

Special educational needs. Children with special educational needs should be schooled in an environment appropriate to their needs - usually in local schools with appropriate support, or in specialist schools for those who need them. Parents' wishes must be considered when making decisions about type of schooling. A designated teacher in each school will have responsibility to identify and plan for children with special needs, and act as a contact point for parents and other teachers. We will make sure that all teachers and teaching assistants working with children with special educational needs are appropriately trained. Special schools will act as resource centres to support local schools with their specialist provision. In turn special schools will be linked to research departments in universities so that they can benefit directly from, and be involved with, the latest research in special education.

Skills for work. School-leavers should be equipped with the skills they need to succeed in the workplace. We will combine GCSE, A-level and vocational programmes of study within a new diploma system, stretching the most gifted and engaging those previously turned off by schooling. We will give all students over the age of 14 the opportunity to combine vocational and academic learning, as Liberal Democrats in government in Scotland are already doing.

World-class skills for a world-class economy. We are committed to closing the funding gap between schools and colleges, starting by providing equal funding for equivalent courses,

wherever they are taught. To deliver world-class skills, world-class facilities are needed. We will implement plans to invest in the modern, high-quality college facilities needed to deliver high-quality skills training.

School transport. We will maintain the right of children to free school transport when they live more than two miles from their designated primary school and three miles from their secondary school – a right which is being taken away by the Labour Government. For those who live nearer school, there still need to be safe alternatives to the car; we will promote ‘Safe Routes to School’, with calmed traffic, safe pavements, good lighting and adults on hand to conduct ‘walking buses’.

Green Action:

Green every school, college and university. All plans for new educational buildings must be good for the environment as well as good for education, for example by minimising the need for heating and using sustainable building materials. By putting the two together, children and students can learn about caring for the environment by seeing green projects in real action in their own school or college. We also believe that out-of-classroom learning is a key part of a good education, and will include the quality of out-of-classroom education in the criteria on which schools are inspected.

“In Scotland, thanks to Liberal Democrats in government, we have already abolished tuition fees, just as we promised. When you vote Liberal Democrat, people can now see it really makes the difference. This time, I hope you’ll help us deliver the same for all of Britain.”

Jim Wallace QC MSP

Deputy First Minister of the Scottish Executive and Minister for Enterprise and Lifelong Learning

Tackling Crime, Defending Liberty

Crime – and the fear of crime – wrecks people’s lives. Governments keep talking tough, but everyone knows it isn’t working. It’s time to concentrate on the basics: more police on the beat, more effort to stop prisoners re-offending, more help for victims of crime.

This Government just keeps trying to take away citizens’ basic freedoms – such as the right to jury trial, or to demonstrate peacefully outside parliament. They even wanted the power to lock anyone up at the whim of the Home Secretary. They plan to charge every citizen nearly £100 each to hold a compulsory identity card, despite the fact that other countries have found that they don’t work. It’s all done in the name of cutting crime and tackling terrorism; but it is the terrorists who want to take away freedom and democracy – our government should defend our liberties.

The truth is that ID cards did not stop the Spanish train bombs, and even the 9/11 bombers had their papers in order. The US has ruled out ID cards because they don’t work. What stops both terrorists and criminals is good intelligence and effective investigation – and that takes a lot more police. What protects Britain’s borders is not costly ID cards for law-abiding British citizens, but a strong UK Border Force detecting illegal entry and criminal activity.

Both the Conservatives and Labour like to talk tough, but have failed to deliver. I want my children to grow up in a safe community, while keeping intact the basic freedoms for which the British people have fought so hard across the centuries.

Mark Oaten

Liberal Democrat Shadow Home Secretary

Justice and Crime

10,000 more police on the streets – cut crime and the fear of crime. By getting rid of Labour’s expensive, illiberal and ineffective ID card scheme, we will pay for 10,000 police on top of Labour’s plans. We will also complete existing plans for an extra 20,000 community support officers to back them up. The average police officer today spends more time in the police station than they do on the streets. We will give the police the technology they need, and simplify the bureaucracy they face, to allow them to spend more time on patrol and less time tied to the desk. We will concentrate more police efforts on tackling drug traffickers and those drug users who resort to crime to feed their habits, rather than criminalising people possessing cannabis only for their own personal use.

Make offenders pay back to victims and their communities. Liberal Democrats will make more non-violent criminals, such as fine defaulters, shoplifters and petty vandals, do tough community work as an alternative to jail. Experience shows that this reduces re-offending, gives them skills for legitimate work, and means that they pay back to the community. Through Community Justice Panels, local people will have more say in the punishment offenders carry out in the community – for example, by making them clean off graffiti or repair damage to victims’ property.

Get tough on anti-social behaviour. Many towns and cities are becoming no-go areas at the weekend. We will tackle excessive drinking by cracking down on licensees who serve people when clearly drunk or under-age. We will make big late-night venues contribute to the cost of extra late-night policing. Unacceptable noise and offensive behaviour will be tackled through Acceptable Behaviour Contracts agreed between the individual, their family, the police and

the local authority. Where individuals do not co-operate we will use Anti-Social Behaviour Orders, plus appropriate measures to tackle underlying causes.

Give prisoners skills for work, not crime. With four out of five prisoners functionally illiterate, and over half of prisoners re-offending, it's time to make prison work. Prisoners will be subject to a tough working day, with increased resources for education and training a top priority so that they learn the skills to acquire a legitimate job. The effort a prisoner puts into their education and work-related skills will be one of the factors used when considering their release date, as part of our emphasis on tackling the causes of crime.

Quality investigations, safe convictions, fighting crime and terror. We will increase police resources to improve the detection and investigation of crime. We will create a co-ordinated UK Border Force to strengthen the country's borders against terrorism, people-trafficking and drug smuggling. We oppose moves to reduce or remove rights to jury trial, and the routine use of hearsay evidence or revelation of previous convictions. We opposed Labour's plans to allow the Home Secretary to order house arrest and other restrictions on personal liberty. A British citizen's liberty must only be removed through a fair judicial process, not on the command of politicians. Liberal Democrats achieved substantial amendment of the Prevention of Terrorism Act, but it still has serious flaws, and we will repeal it. Effective action against terrorism is vital, and our priority will be to extend the criminal law to enable terrorist suspects to be prosecuted in the mainstream courts. We will admit evidence from communications interception. If control orders are still required they must be granted by a judge, be time-limited and be subject to a high standard of proof.

Firm but fair on asylum. For centuries Britain has had a proud record of granting safe refuge to those fleeing persecution. In turn, refugees have enriched the UK's culture and wealth immeasurably. The Home Office has a record of delays and bad decisions on asylum, so we will transfer responsibility for assessing asylum claims to a dedicated agency to sort out the mess, ensuring that those who need help get it, whilst those who don't can't abuse the system. We will work within the EU to develop common standards so that all EU countries take their fair share of refugees. We will also end asylum-seekers' dependence on benefits, allowing them to work so they can pay their own way and use their skills to benefit everyone.

Strengthen the fight against discrimination. We will introduce a Single Equality Act to outlaw all unfair discrimination, (including on the grounds of race, gender, religion or belief, sexual orientation, disability, age or gender identity), thus giving equal protection for all. We will establish hate-crimes investigation units in each police force to co-ordinate information and action against racism, homophobia and other hate crimes. Liberal Democrats led the call for an amendment to the laws on incitement to racial hatred, to criminalise those who use religious words as a pretext for race hate. Our Equality Act will stop same-sex couples in civil partnerships being treated unfairly compared with married couples in pension arrangements.

Green Action:

Tougher action to enforce high environmental standards. The courts have struggled to enforce the rules in environmental cases that are often highly technical and specialised. We will improve the enforcement of pollution controls through a specialist Environmental Tribunal to deal with enforcing environmental rules. We will also make sure that the level of penalties that polluters have to pay are appropriate to the offence – at present they are often trivial compared to the profits from environmental crime.

“I have been been horrified to find that Labour doesn’t seem to understand that in fighting crime and terrorism, the point is to defend Britain’s justice and democracy, not give it away. Tough Liberal policies put more police on the beat and tackle the causes of crime. We won’t surrender Britain’s liberties.”

Navnit Dholakia

Liberal Democrat Deputy Leader in the Lords and Spokesperson on Home Affairs

Building Prosperity for Britain

There is no job more important for any government than managing the economy well.

When Labour was first elected, they seemed to understand this. Liberal Democrats were the first to propose making the Bank of England independent, to stop politicians playing with interest rates to suit their own re-election rather than the economy. Gordon Brown adopted this suggestion, even though there had been nothing in Labour's manifesto about it.

As a result, and by balancing the books – with the advantage of relatively good world economic conditions – the economy prospered.

Increasingly, Labour has started to make mistakes. Too many rules and tax complications, holding businesses back. Inadequate action to contain the explosion of personal debt. Economic forecasts making unrealistic assumptions about future growth. Failure to take the tough decisions to prioritise taxpayers' money, to spend it where it matters most. Over-complicated tax credits and means-tested benefits.

As the former Chief Economist at Shell, I have wrestled with these problems all my life, including advising governments. I know these decisions are not easy – and can easily be thrown by world events.

So I want to make clear my priorities for managing the economy:

First, and most important, I will ensure a stable and well-managed economy. I'll stick to the Golden Rules – that government borrowing should only finance investment over the economic cycle, and that government debt should be no higher than 40 per cent of GDP. To make sure of that, I'll give the National Audit Office the job of publicly checking the budget figures.

Second, I will insist on tough choices on public spending, cutting out low priorities in order to spend more on what matters most. As a result, all our policies are costed and affordable.

Third, I will introduce fairer taxes. Our only net tax rise in this manifesto is on that slice of people's earnings over £100,000 a year, in order to abolish student tuition fees and care charges on the elderly, and cut local taxes. But we will make taxes fairer – such as replacing the Council Tax with a system based on ability to pay. The typical household's tax bill will be cut by around £450 each year as a result.

Finally, simpler taxes. Gordon Brown has endlessly made the tax system more complex and unworkable. That, in the end, is self-defeating, simply adding to business costs, chaos at the Inland Revenue, and misery for confused taxpayers.

These simple rules are my basic principles – and foundation-stones for Britain's future prosperity.

Vincent Cable

Liberal Democrat Shadow Chancellor of the Exchequer

The Economy

All our policies are costed and affordable. Unlike the other parties, we have consistently set out costings for our manifesto pledges, explaining how much money they will need and how they will all be paid for. So this manifesto includes a specific section outlining our main costings. Our package of tough choices on spending, and fairer taxes, means that most people will be better off. There is only one proposed net tax rise (to 50 per cent on the proportion of incomes over £100,000 a year, affecting just one per cent of taxpayers) which will pay for the abolition of student tuition fees, free personal care for the elderly, and lower local taxes. Most people's tax will be cut by replacing Council Tax with a system based on ability to pay, saving the typical household around £450 per year.

Tough choices in public spending. Liberal Democrats have different spending priorities from Labour. We believe that in order to concentrate resources on currently under-funded areas such as pensions, policing and early years education, funding should be switched from lower priority areas. That means reducing unnecessary subsidies to industry, and cutting wasteful new initiatives like the ID card and the Child Trust Fund handouts for future 18 year-olds. This will allow us to spend more on the things that really matter, like better pensions, more police and smaller class sizes.

A stable, well-managed economy. We welcome the greater economic stability that has been established since interest rates were set independently by the Bank of England (which the Liberal Democrats were the first party to advocate). Now, there needs to be more independent scrutiny and discipline in fiscal policy. We will give the National Audit Office the power to scrutinise the budget figures, including public borrowing, so that no Chancellor can fiddle the figures. We will make sure that the Office for National Statistics is independent and accountable to parliament, not subservient to ministers. We will tackle irresponsible credit expansion in mortgages and personal loans by curbing misleading advertising and anti-competitive practices by promoters of insurance for mortgages and loans, and of credit cards. We oppose the increasing complexity of business taxes and we will consult with business on a simpler and fairer system, giving priority to helping small businesses.

Fairer taxes. Under Labour, ordinary hard-working families pay more as a share of their incomes in tax than the very rich. Under Labour, the elderly have to sell their homes to pay for their care, while rising Council Tax and university top-up fees are making the system even more unfair. Taking all taxes together, the poorest 20 per cent of the population pay 38 per cent of their income in tax, compared to just 35 per cent for the richest 20 per cent. That's not what people expected from a Labour Government. Liberal Democrats will make the tax system fairer and simpler. As a first step towards reducing tax paid by low earners, we will axe the unfair Council Tax and replace it with a Local Income Tax based on people's ability to pay. This will cut the typical household's tax bill by over £450. To pay for our policies of abolishing student top-up and tuition fees, ending elderly and disabled people needing to pay for their care, and cutting Council Tax, the richest one per cent of the population will pay 50 per cent tax (up from 41 per cent) on that part of their income over £100,000 per year.

Cut stamp duty. People are increasingly struggling to afford their first home. We will raise the starting point for stamp duty from £120,000 to £150,000. This step will take 150,000 mainly first-time buyers out of paying stamp duty altogether, and cuts the cost of home ownership.

An outward-looking economy. Liberal Democrats support a liberal economic approach to trade, investment and migration in the national interest. We want Britain to be at the centre of a liberalised, reformed European Union. Liberal Democrats believe that Britain should work to create the right economic conditions to join the euro (subject to a referendum) in order to safeguard investment in the UK and reduce the cost and risk of trade with the rest of Europe. We will work to break down the trade barriers that prevent the poorest countries in the world selling their goods to the richer countries on fair terms.

Economic migration. Economic migrants have helped make Britain one of the richest countries in the world, both economically and culturally. There remains a positive economic benefit from managed immigration to fill the demand for skills and labour that are in short supply. We will consult with business and the public services to agree numbers of work permits for economic migration to make sure that Britain continues to prosper.

“In Vince Cable, a former leading economist in industry, the Liberal Democrats have as Shadow Chancellor someone who can be relied on to make sure that every Liberal Democrat policy is affordable, and that economic policy delivers more stability and less red tape. This manifesto is realistic, costed, and deliverable – that’s why it wins my support.”

Susan Kramer
Former International Banker

Before entering parliament in 1983 I worked in business. The red tape, bureaucracy and wasteful rules were bad enough then. They are much worse today.

People running businesses up and down the country are the powerhouse of the economy. They need the freedom to generate economic growth – yet they are held back, struggling under a mountain of government rules, tax complications, bureaucracy and inspections.

So I have used my experience in business to make one thing sure above all else – that Liberal Democrat business policy is all about making things simpler, easier and fairer for businesses – particularly small businesses – to prosper and grow.

That means getting government off the back of business. For example, we will cut back the cost of business rates for small businesses. We will use ‘sunset clauses’ to prevent unnecessary regulations imposing a burden on business long after their usefulness has passed. And we will get rid of the top-heavy old-style DTI industrial subsidies, investing instead in high-quality training so that young people have the skills employers want.

It also means a fairer playing field between small and large businesses – for example, by tackling the abuse of monopoly power through creating a duty to trade fairly. And where there is a need for government intervention, for example in tackling pollution, our promise is to harness market forces with incentives for sustainable development, so that good businesses pay less tax.

The business people I meet don’t want subsidies, they just want government off their backs. They want government to deliver skills and infrastructure, not ever more red tape. They want the freedom to succeed. These are our ambitions too.

Malcolm Bruce
Liberal Democrat Trade and Industry Spokesperson

Business

Cut the red tape that stops businesses from growing. Liberal Democrats will slash the red tape, bureaucracy and over-regulation that are holding British businesses – especially small businesses – back. We will start with these three measures:

- No new regulation will be passed until a full assessment of its costs and necessity is published.
- New regulations affecting business will automatically be scrapped unless Parliament specifically approves their renewal after a period specified in a ‘sunset clause’.
- Endless visits by all sorts of inspectors will be replaced in most cases by one all-purpose inspection.

Introduce small-business rate relief. Many small businesses pay a disproportionate amount in rates – as much as 35 per cent of their profits. We will help small businesses by reforming the business rates system to allow firms with a rateable value of less than £25,000 to claim a business rate allowance of up to £1,500. This would represent a saving of over £600 a year for the majority of small businesses. We will also reform the valuation system to base rates on site values, rather than rental value, which penalises businesses that invest in improving their premises.

Scrap the Department of Trade and Industry. There is no need for a big department that interferes in the economy and subsidises failing companies at taxpayers' expense. The DTI is irrelevant to most enterprises, so in abolishing it Liberal Democrats will cut away its bureaucratic and wasteful functions. We will transfer its useful roles to more appropriate departments, such as support for scientific research to our Department for Education, Skills and Science. The Chief Secretary to the Treasury will take on the role of advocate for business at the Cabinet table. Overall, this will save £8 billion of taxpayers' money over the life of a parliament. We will invest this saving in our priorities, including improving education and training – which are of far more real benefit to business.

Protect consumers from rip-offs. We will introduce a new legal duty on businesses to trade fairly, while cutting back unnecessary red tape and bureaucracy. Enforced by the courts, this will require less form-filling than Labour's complex rules, yet provide more effective protection for consumers, and promote free competition.

Boost tourism. We will promote domestic tourism opportunities, starting by creating an English Tourism Board to match those in Scotland, Wales and Northern Ireland, with increased resources for marketing England. These measures will help reduce the 'tourism deficit' – the difference between the amount spent by overseas visitors in the UK and the amount spent by UK tourists abroad – which has quadrupled under Labour and now stands at £17 billion.

Green Action:

Using economic instruments to benefit the environment. Green tax reforms and traded permits should be used to encourage people to act in a more environmentally responsible way. We will change the Climate Change Levy into a Carbon Tax, making it more effective at discouraging the use of the polluting fuels and energy sources that harm the environment. We will also strengthen tax incentives to use smaller and less polluting vehicles and create more energy-efficient homes. We will launch a Treasury-led Environmental Incentive Programme, examining tax reforms that will reduce pollution and protect the environment, on the clear principle of taxing differently, not taxing more.

Promote clean energy. Liberal Democrats will make sure that at least 20 per cent of the UK's electricity comes from a full range of renewable sources by the year 2020, by increasing and reforming the obligation on energy suppliers to use renewable energy. Liberal Democrats will not replace existing nuclear power stations as they come to the end of their safe and economic operating lives – instead we will use renewables and conserve energy. We will encourage the use of alternatives, such as hydrogen fuels, as technology develops.

“It comes down to this: government needs to concentrate on its own job – delivering a stable, sustainable economy, a skilled workforce, and a modern infrastructure. It should only intervene in the market where it can show that the benefits clearly outweigh the costs. Regulation is a last resort. Red tape must be cut. In my experience this combination is unique to the Liberal Democrats.”

Iain Vallance

Former Chairman of BT and former President of the CBI

Fair Pensions and Benefits

Every week I am contacted by people needing help with problems caused by the unfair and complex pensions and benefits system.

I receive letters from pensioners in poverty, struggling with unfair and demeaning means tests, or forced to pay for the care they need. I hear from women denied even the basic pension simply because they took time out of work to care for their children.

Then there are letters from people who want work to support themselves, fobbed off with government 'New Deal' schemes that just don't give them the training and skills they need to get a job. Letters from workers who are angry that they have been robbed of their company pensions. Letters from people with severe disabilities who are at their wits' end because of the bureaucracy and complexity of the benefits system.

We are all growing older. Anyone can be suddenly disabled. These days no job is for life. Everyone wants to know that there is a safety net if they, or their family, need it – but equally, no one wants to pay benefits to cheats, or keep people on the dole longer than necessary.

Yet, over and over again successive governments have just complicated the system, hitting decent people with unfair and demeaning means tests and sanctions, introducing computer 'systems' that don't work – and yet have still failed to tackle the frauds effectively.

Before entering Parliament, I was Professor of Social Policy at Bath University, studying the mistakes governments kept making. Since being elected, I have sought to use my professional skills to develop alternatives that will work – plans that will guarantee everyone a decent old age, help when they are disabled or lose their job, and a decent start for every child. These principles of fairness and opportunity are close to the hearts of the British people, and are values held deeply by Liberal Democrats. In one of the richest countries in the world, we should not settle for less.

Steve Webb

Liberal Democrat Shadow Secretary of State for Work and Pensions

Pensions and Benefits

Over £100 more on the pension every month at 75 – a million pensioners off means-testing. Millions of elderly people are failing to receive the pensions they've earned – and deserve and need – because of demeaning and unworkable means tests. Liberal Democrats will simplify the system, immediately guaranteeing a basic pension at 75 of at least £109.45 per week, with future increases linked to earnings. That's over £100 a month more at 75 for every single pensioner. Every pensioner couple over 75 will receive at least £167.05 per week state pension – over £140 a month more than at present. This will abolish the need for means tests altogether for a million people.

Citizen's Pension. Many women who gave up work to bring up their children receive as little as a penny a week because they haven't paid enough national insurance. From the age of 75 we will give pensioners our increased 'Citizen's Pension' as of right, making sure that 2.8 million women pensioners have security and dignity in retirement.

Help pensioners by axing the Council Tax. Too often, pensioners are forced to pay huge Council Tax bills despite being on low incomes, and many will be faced with further massive

increases due to revaluation. Replacing Council Tax with Local Income Tax means eight out of ten pensioners will be better off and six million poorer pensioners will pay no local tax at all. Unlike the other parties' proposals, no one will be denied help simply because of their age or who they live with – everyone will only pay what they can afford.

Help working parents spend more time with their children. Becoming a parent for the first time is a daunting and expensive task. Giving new working parents more support has benefits for them, their babies, their employers and the economy. Liberal Democrats will give working families having their first child increased maternity pay for the first six months at the rate of the minimum wage – that's £170 a week instead of £102.80 at present, a lot more just when parents really need it.

Reform the New Deal to get more people into work. The present New Deal leaves too many people on unnecessary or ineffective schemes rather than getting them into real jobs. Liberal Democrats will instead tailor the assistance so that jobseekers receive the package of support they need to get proper, permanent work. We will also scrap benefit sanctions which leave genuine claimants unable to feed and house themselves.

Scrap the Child Support Agency. The CSA is failing. Some parents are required to pay an unrealistic amount for maintenance, whilst other payments are never enforced. We would scrap the CSA and hand over its initial assessment and enforcement functions to the Inland Revenue so that payment is enforced fairly and effectively. Special circumstances would be addressed by appeal to a specialist tribunal able to take account of individual circumstances, instead of the present unfair rigid formula.

Provide more support for people with disabilities. Many severely disabled people feel the cold intensely and cannot afford to heat their homes adequately, despite the fact that the cold will often make their conditions worse. We will help severely disabled people of working age with their fuel bills by giving them the same £200 a year Winter Fuel Payment that pensioners receive. We will also implement the recommendations of the Royal Commission on Long-Term Care to guarantee free personal care for people with disabilities who need it.

Private and public sector pensions. More than 60,000 workers worked for companies that have gone out of business leaving insufficient money in their pension funds. We will bolster the government's compensation scheme to make sure that these workers are compensated at the same level available under the new Pension Protection Fund. Unlike Labour, we will give proper time for consultation before making changes to existing public sector pension schemes, and we will honour the entitlements already built up.

Beating fraud and error. Each year, around £3 billion is lost to the taxpayer due to fraud and error in the social security system – £100 for every taxpayer every year. The new tax credits could add a further £1.6 billion to that loss. We will reverse the spread of mass means-testing, simplify the benefits and tax credit system, and extend fraud prevention and detection activities to all benefits, reducing both fraud and error.

Green Action:

Save energy and cut fuel bills. Thousands of people – mostly pensioners – die each year from preventable cold-related illnesses. On average, around fifty people die unnecessarily in each constituency every year. Poor home insulation and poor-quality housing lead to cold homes and high fuel bills, the main causes of this 'fuel poverty', while the average pensioner

household spends £500 a year on energy. We will help pensioners and severely disabled people cut this bill by allowing them to take a year's Winter Fuel Payment as a voucher redeemable against insulation and energy saving materials. These would be made available at about half price through a partnership with fuel suppliers. A pensioner could save more than £100 from their energy bill every year by investing just one year's Winter Fuel Payment, and help the environment as well. In this way we will invest in cutting energy use and at the same time help pensioners and severely disabled people stay warm and save money.

"I am appalled that in the fourth richest country in the world, so many pensioners, particularly older women, are trapped in so much poverty. I left the Labour Party and joined the Liberal Democrats four years ago because the more I saw Labour failing in action, the more I realised it was time to face the truth: that the Liberal Democrats are now the only party I can trust to deliver the decent pensions, and above all the free care when it's needed, to guarantee everyone dignity and security in retirement."

Claire Rayner

President of the Patients Association and member of the Royal Commission on Long-Term Care for the Elderly

Strong Local Communities

Villages, towns, cities, counties – we all live in communities. As local people, we know what's good in our own community – and what's bad. When things go wrong, we want them put right, and to hold those in charge to account if they're not.

When local democracy works, the people taking decisions are people who actually use their local schools or hospitals, and care about them. They are locally elected people, who earn your trust when they get it right, or are thrown out if they get it wrong.

Yet successive Conservative and Labour governments have stripped power from local communities. Ministers and officials in Whitehall take all the key decisions now, over the heads of local doctors, police chiefs or head teachers – without ever visiting the schools, hospitals or police stations that are so precious to their communities.

Worse still, they've imposed an unfair tax system for all this. The Council Tax was dreamt up by the Conservatives, but Labour has made it even worse, with bills rocketing. It's just not right to force people on incomes as low as £12,000 a year to hand over an average of a thousand pounds or more in Council Tax. Now millions are threatened with huge further increases in Council Tax if Labour and Conservative plans to revalue our homes and change the Council Tax bands go ahead – it's already hit Wales.

Meanwhile more and more young people can't even afford a home and the number of homeless families is at a record high. While the Conservatives sold off affordable homes, Labour cut the numbers being built. That's why I'm so determined to help create new opportunities for people to afford their first home.

It makes no sense to me that local decisions are taken by distant bureaucrats or politicians who don't know local services, and will never use them. And I will never accept that local taxes should impoverish families and pensioners, or that millions should be unable to afford a decent home. It's time to cut the Whitehall red tape and absurd rules. Bring in a fair system for paying for local services. Help and encourage voluntary initiatives, such as social enterprises and local credit unions. In other words, it's time to trust local communities to take their own decisions again.

Edward Davey

Liberal Democrat Shadow Secretary of State for the Office of the Deputy Prime Minister

Local Communities

Axe the unfair Council Tax – Local Income Tax is fair and affordable. On top of the Chancellor's plans to increase Council Tax yet again, Council Tax revaluation in England in 2007 threatens one in three households with huge and arbitrary rises, as is already happening in Wales. The Council Tax penalises pensioners and people on low incomes, who pay a far higher proportion of their income in Council Tax than the very rich. A Local Income Tax is based very simply on the ability to pay. It would be run through the existing Inland Revenue Income Tax mechanism, so saving hundreds of millions of pounds by abolishing Council Tax administration. The typical household will save around £450 per year, and eight out of ten pensioners will have lower bills.

Affordable homes. We will help tackle the affordable housing crisis by making available public sector land currently owned by the Ministry of Defence, the Department of Health and English Partnerships, sufficient to build 100,000 more homes both for rent and for affordable purchase through shared ownership schemes for local people. We will reform VAT to encourage developers to repair and reuse empty buildings and brownfield land, rather than building on greenfields and eroding the countryside. We will take 150,000 homebuyers a year out of paying stamp duty altogether, by raising the threshold to £150,000. In areas where second homes are overwhelming the local housing market, we will require people to get planning permission before turning another full-time home into a holiday home.

Art, heritage and sport. Liberal Democrats have a proud tradition of championing the arts, culture and heritage, which successive governments have undervalued. This Government's move towards greater state interference in the arts has threatened to stifle artistic freedom. We will restore the National Lottery funds' independence, requiring the Department for Culture, Media and Sport to separate clearly government spending from independently determined Lottery spending in its annual reports. We will end Labour's freeze in the core Arts Council budget, guaranteeing that growth in core arts funding at least matches inflation. We will help protect the built environment by reducing VAT on historic building repairs. We will increase grassroots sports funding, and support the UK's 2012 Olympic and Paralympic bid.

Set communities free from Whitehall. We will free local councils from many of the stifling controls of central government so that they can innovate and deliver services that meet local people's real needs. Councils will become genuinely accountable to their local communities rather than being agents of Whitehall. To cut bureaucracy and increase effectiveness we would go much further than Labour or the Tories to cut the burden of inspections, merging eight government inspectorates into one, a streamlined and independent Audit Commission.

Protect the post office network and universal mail delivery. Over 3,500 post offices have closed under Labour, and hundreds more are due to be axed. Thousands also closed under the Conservatives. Our priority is to secure a viable future for the post office network, by developing a business plan based on providing a combination of commercial services, benefits transactions and government information. This will help keep more post offices open. We will maintain the obligation on Royal Mail to provide universal same-price delivery of letters throughout the UK.

Green Action:

Tackle waste. Liberal Democrats will set a long-term goal of zero municipal waste, through waste minimisation, reuse and recycling. As a first step, we will make sure that within seven years 60 per cent of all household waste is recycled and we will aim to offer every household regular kerbside recycling. Manufacturers will be held responsible for disposing of their products and materials that are difficult to reuse or recycle. We will not allow new incinerators for municipal waste unless they can be shown to be the best environmental option after considering all alternatives, including new technologies where waste reduction and reuse are not possible.

Planning for sustainability. We will reform the planning system to make sure that local authority development plans are sustainable. That means incorporating targets for CO₂ emission reductions to encourage the development of renewable energy facilities, and accounting for the climate change consequences of policies, including transport. We will also use building regulations to improve the environmental quality of new buildings.

“In the nineteenth century Liberals used local democracy to transform our cities, delivering for the first time clean water and sewerage, public health and education, power and transport. In the twenty-first century, we need to strip away central government red tape and unelected quangos, and set communities free again, to reinvigorate local services on the front-line, and to hold those responsible properly accountable.”

Simon Hughes

President of the Liberal Democrats

Britain's Place in Europe and the World

It is often said that foreign affairs is not a determining issue in UK elections. But on this occasion I believe that the conduct of Britain's foreign affairs, particularly in relation to Iraq, goes right to the heart of the Labour Government's credibility.

Both at home and abroad trust has been eroded, and Britain's reputation diminished. It need not have been so. Britain, as a member of the G8, the Security Council of the United Nations, the European Union, NATO and the Commonwealth, has a unique opportunity to be a force for good in the world. British practice has been one of operating through multilateral institutions – and experience shows that when Britain does this, it provides leadership and influence.

But Britain was taken to war against Iraq without express UN authority and on a flawed prospectus. The Government built its case on unreliable intelligence, in circumstances of doubtful legality. Who would have thought that Labour would lead the country into a war which has been compared to the fiasco of Suez?

This must never be allowed to happen again. The work of rebuilding trust and confidence should begin immediately. We can start by committing ourselves to the reforms of the United Nations set out in the High-Level Panel's sagacious report. We can influence the whole of the Middle East by an unwavering commitment to peace between Israel and the Palestinians. We can sharpen the focus on assistance for the poorest countries in the world through aid, debt relief and trade. We can pursue the cause of human rights wherever they are abused and neglected.

We can truly put ourselves at the heart of Europe and at the heart of its reform. We can make sure that British arms exports neither encourage conflict nor assist repression. We can fashion a new relationship with the United States: a partnership of influence, not one of uncritical subordination. We can base foreign policy on liberal values, respect for the rule of law, and human rights.

I believe that only in this way can we maximise Britain's influence, and restore Britain's reputation.

Sir Menzies Campbell
Liberal Democrat Shadow Foreign Secretary

International Affairs

We should not have gone to war in Iraq. There were no weapons of mass destruction, there was no serious and current threat, and inspectors were denied the time they needed to finish their job. Thousands of soldiers and civilians have been killed and it has cost the UK over £3.5 billion. Britain must never again support an illegal military intervention. But by invading Iraq the Government has imposed on us a moral obligation to work towards a stable, secure and free Iraq. We welcome the recent elections. We will seek to strengthen and enlarge Iraqi security forces so that they can assume greater responsibility, include Sunni leaders in the political process, and ensure adequate provision of food, water, sanitation and health care for all the Iraqi people. We will support the transition to a fully democratic and legitimate government, aiming to withdraw British troops by the expiry of the UN mandate at the end of the year; the open-ended presence of coalition forces is destabilising and fuels the insurgency.

Build security at home and abroad. The best way to achieve security and to tackle the threat from terrorism is through international action. Britain must work through the United Nations, as a committed member of the EU, and with the US to promote international law, democracy and respect for human rights. We will work to reform the UN and the EU to make them more responsive to international challenges.

Europe

Make Europe more effective and democratic. Membership of the EU has been hugely important for British jobs, environmental protection, equality rights, and Britain's place in the world. But with enlargement to twenty-five member states, the EU needs reform to become more efficient and more accountable. The new constitution helps to achieve this by improving EU coherence, strengthening the powers of the elected European Parliament compared to the Council of Ministers, allowing proper oversight of the unelected Commission, and enhancing the role of national parliaments. It also more clearly defines and limits the powers of the EU, reflecting diversity and preventing over-centralisation. We are therefore clear in our support for the constitution, which we believe is in Britain's interest – but ratification must be subject to a referendum of the British people.

“The other parties like to posture. We think it's time for common sense. In the modern world, Britain is more prosperous and secure in Europe. But we need to make Europe work more effectively – through more democracy, more openness, less waste, and less bureaucracy. That's our Liberal Democrat vision for a strong Britain in a strong Europe, a powerful voice in the world.”

Sajjad Karim and Fiona Hall
Liberal Democrat Members of the European Parliament

Defence

Our troops protect the nation – we must protect them. Britain's armed forces protect the country and are a force for good in the world. But with increasing overseas commitments, they are overstretched. The Government should not be cutting the size of the armed forces while at the same time asking them to take on ever more difficult tasks. New equipment continues to arrive late and over-budget, so we will make military procurement more open and competitive. By switching funding from unnecessary programmes, for example by cutting the third tranche of the Eurofighter programme, we will be able to invest more in protecting the welfare of the armed forces, ensuring that they are well-trained and well-equipped. We will seek new ways of sharing the military burden, by working with allies through NATO and the EU. Liberal Democrats will be realistic about what Britain can, and should, take on, and British forces must always be able to deal with emergencies at home, such as terrorism or natural disasters.

Work for the elimination of nuclear weapons and tackle the arms trade. We will press for a new round of multilateral arms reduction talks, retaining the UK's current minimum nuclear deterrent for the foreseeable future, until sufficient progress has been made towards the global elimination of such weapons. Arms sales contribute to conflict, so we will establish a cross-party Parliamentary Arms Export Committee to monitor arms exports and scrutinise individual licence applications. We will require arms brokers to register under a code of conduct and revoke the licences of those who break the code. We will support the establishment of an International Arms Trade Treaty.

International Development

Liberal Democrat international development policy is built on two foundations. First, we believe that this country has the wealth to help those much poorer than ourselves, and should do so. Second, we believe that we all benefit from achievement of sustainable development in the poorest countries in the world.

This country has never lived up to the promise it made long ago to devote 0.7 per cent of its annual income to aid; it is time that it did. The response of the British people to the Asian tsunami disaster was extraordinarily generous – but every day millions of families around the world are caught up in similar tragedies of famine, drought, war and terrible poverty. So it is time Britain lived up to its promises, to build the sustainable development to end such poverty once and for all.

But it is not just about aid. For example, opening European markets to the products of the poorest countries helps their economies and lifts them out of poverty. Stopping subsidised European food being dumped helps their farmers prosper and grow more. Neither policy would cost a penny.

We need to reform international institutions to make them more responsive to developing country needs; make aid more productive; make trade fairer; and take action to promote good governance, the rule of law and human rights.

The people of this country have an outstanding record of helping those in need around the world. It is time for our government to match their commitment.

Tom Brake

Liberal Democrat Shadow Secretary of State for International Development

Meet Britain's promise on aid. Liberal Democrats are committed to realising a world free from poverty. In order to achieve the UN Millennium Development Goals by 2015 (which include tackling extreme poverty and hunger, providing universal primary education, and combating HIV/AIDS) the UK needs to provide more effective international assistance. Liberal Democrats will increase British aid spending from 0.35 per cent of Gross National Income today to at least 0.5 per cent by 2007/08, and set out detailed plans for it to reach 0.7 per cent by 2011 at the latest.

Fair and sustainable trade and investment. Working through the EU and the World Trade Organisation, we will seek to remove the subsidies and tariff barriers that prevent the poorest countries in the world selling their goods on fair terms. We will work to end the dumping of subsidised agricultural exports by developed economies which is wrecking farming in Africa and other parts of the world. We will work to make sure that agreements to liberalise new sectors proceed on a genuinely voluntary basis, without undue pressure on developing countries. We will require companies benefiting from open markets to behave responsibly, and we will promote a new international agreement to encourage investment, particularly in the poorest countries.

Green Action:

Promote environmentally sustainable development. We will make sure that development assistance, whether delivered from the UK, EU, or multilateral institutions, not only meets the needs of the poor, but does so in ways that contribute to environmental sustainability. This means, in particular, targeting aid on renewable energy, clean water and sustainable agriculture, and increasing market access for green products from the developing world. We will devote resources to protecting biodiversity in developing countries, where many species of rare plants and wildlife are seriously endangered.

Take effective action to protect the global environment. We will work through the EU to promote effective and enforceable international agreements to protect the global environment, such as the Cartagena Protocol (on GM products). We will support international agreements and activities designed to stop international environmental crime, such as illegal logging or illegal trade in endangered wildlife, and improve customs training to tackle these illegal activities more effectively. We will argue for reforms of the World Trade Organisation, World Bank and International Monetary Fund to make sure that trade and development policies support rather than hinder environmental sustainability.

Put Britain at the forefront of climate change negotiations. Catastrophic climate change is the major environmental threat to the planet. Urgent action is needed. Liberal Democrat plans will make sure that Britain achieves its targets from the Kyoto Protocol (the international agreement on the pollution that causes climate change) well before the deadline. Britain and the EU must take the lead on negotiations for the next set of targets for greenhouse gas emissions. It is vital that we include the US and Australia but we also need to work with developing countries. Our long-term goal is 'contraction and convergence' – which means agreeing for every country a sustainable population-related allowance for emissions.

A Fairer Deal for Rural Communities

Successive governments – it didn't just start with Labour – have failed rural Britain.

Until about a decade ago the majority of rural communities were traditionally Conservative, but under Conservative governments thousands of rural schools, post offices, police stations and other rural services and facilities were closed or withdrawn. Much council housing was sold off and local working families found themselves unable to find an affordable home in many communities.

The Conservatives' mishandling of the BSE crisis has cost the country dearly. The Conservatives also saw UK fishermen as expendable when negotiating entry to the Common Fisheries Policy, which left both fish stocks and fishermen hopelessly under-protected.

But under Labour things have gone from bad to worse. Record numbers of farmers have left farming altogether. Labour has failed to stem the continuing decline in local services and the lack of affordable accommodation. The unfair funding systems introduced by the Conservatives, which penalise health, education and police in rural areas, have worsened under Labour.

I and my family come from a background of farming and fishing in my constituency. But I do not believe that you need to have been born and brought up in a rural way of life to recognise that the Conservatives represent a countryside for the privileged few, whilst Labour are completely out of touch with rural needs and way of life. It is no coincidence that Liberal Democrat MPs represent many of the most rural constituencies in the country.

I came into parliament to champion the people who live in the kind of rural communities I grew up in and now represent. Our manifesto offers a fair deal – at last – for Britain's rural communities.

Andrew George

Liberal Democrat Shadow Secretary of State for Rural Affairs and Food

Rural Affairs

Fair prices for food. Of every pound consumers spend on food in supermarkets just eight pence goes to the farmer. Liberal Democrats will introduce a legal duty to trade fairly, supported by a Food Trade Inspector within the Office of Fair Trading. This will protect farmers and consumers from unfair practices by supermarkets and processing companies.

Speed up reform of the Common Agricultural Policy. The CAP fails to protect the interests of rural communities, family farms and the environment. We will press within the EU to speed up reform so that the public funding available is used to provide public benefits. These should include improved access and environmental protection, support for traditional farming and organic systems and new opportunities for agricultural products and local markets. We will use the UK's CAP flexibility to support family farms and aid new entrants more effectively.

Save the UK's fish and marine environment. We will seek early further reform of the Common Fisheries Policy to give local fishermen and other stakeholders a real say in the management of their own regional waters. We will introduce a Marine Act to create a marine planning system to resolve problems of conflicting uses of the sea and sea bed. This would

establish conservation zones for highly sensitive areas and strengthen protection of commercial fish stocks, dolphins, porpoises and other endangered marine wildlife.

Improve animal welfare. Liberal Democrats will establish an Animal Protection Commission, bringing all animal welfare matters under the responsibility of a dedicated, expert body, with the duty to make sure that animal protection laws are properly enforced and kept up to date. We will introduce a new Animal Welfare Act to guarantee high standards of animal welfare across the board for farm livestock, working animals and domestic pets, and will close the loophole in existing legislation which allows people who have been banned from keeping animals still to own them if someone else has ‘custody’.

Green Action:

No commercial GM crops unless we know they’re safe for the environment. We support the right of communities to create GM-free zones. We will insist on rigorous schemes of labelling and traceability in food to guarantee consumer choice. At the same time we will introduce measures to promote organic farming.

“I am passionate about the beauty of our landscape, and the communities who live within it. The policies throughout this manifesto are about protecting the environment and re-invigorating local services, proving to me that the Liberal Democrats are the only party that genuinely shares my concern – the real party of the countryside.”

Kate Parminter

Former Chief Executive of the Campaign for the Protection of Rural England

Getting Britain Moving

Good transport in all forms is vital to a successful economy – yet governments, both Tory and Labour, have failed to deliver it. The Tories created the mess the country's in, particularly with their privatisation of the railways. Labour promised to get Britain moving again, but have only made things worse. Promises to cut traffic have failed to materialise, and fewer trains arrive on time.

Like me, the British people know that things can't go on like this. We need a government that will take these problems seriously. One which accepts both that transport needs to work and that it must live within its environmental means. Any strategy which does not recognise these self-evident truths is doomed to failure.

I live in one of the most rural constituencies in the country. Here the car is a necessity, not a luxury. But when I am in Westminster, public transport is a much more convenient way of getting about. It is blindingly obvious that the same solutions don't apply in both areas.

So we need to be more creative. Our ideas for transport are all about responding to differing local needs, and helping people do the right things for the environment, rather than just taxing everyone more. We need to provide better public transport alternatives wherever possible, and we need a charging regime for car use – not ownership – which reflects both congestion and need.

Small local changes can make a big difference. Liberal Democrats are campaigning up and down the country to re-open railway stations and lines. Making stations safer won't cost much, but it will mean that people feel more secure and will be more likely to travel by rail.

I can't guarantee that every train will always run on time – but I can guarantee that a Liberal Democrat government will work to get Britain moving again.

John Thurso

Liberal Democrat Secretary of State for Transport

Transport

Make the railways work again. Conservative privatisation left the railways in a mess, but Labour hasn't solved the problems. Whilst delays have doubled, bureaucracy has increased fivefold, while services are being cut. Liberal Democrats will streamline the system, with fewer, larger franchises, given longer contracts in return for more investment and better services. We will use savings from the roads budget to prioritise safety at stations, and to restore the key rail upgrades postponed or cancelled under Labour.

Reward owners of less polluting cars with lower taxes. For many people, particularly in rural areas, cars are a necessity and cannot be replaced by public transport. But they can be far less damaging to the environment when they use less fuel or alternative fuels. We will start by reforming the Vehicle Excise Duty system ('road tax') to cut tax altogether on cars that pollute least, funded by increasing it on those that pollute more. Congestion charging in London (first proposed by the Liberal Democrats) has cut pollution, cut traffic jams and paid for new investment in buses. We will encourage more cities and towns where traffic congestion is a problem to extend congestion charging, linked to up-front investment in better public transport to give millions real alternatives to the car and to reduce the need to drive. In the longer term, as technology allows, we will scrap petrol duties and VED altogether,

replacing the revenue with a national road user charging system based on location, congestion and pollution (including the level of pollution of the particular vehicle). As a result, pollution and congestion will be better targeted, with no need for the present system of heavy taxes on every journey.

Free off-peak local bus travel for all pensioners and disabled people. Liberal Democrats were the first to make the case for giving all pensioners and disabled people free off-peak local bus travel, and have already done so in Scotland and Wales. We will implement this policy, and we will in addition provide all pensioners, disabled people, families and young people with their rail discount cards free.

Cut lorry traffic, reduce pollution, and make towns and villages safer. In office, Labour has now increased road building, while the Conservatives' plans would concrete over an area half the size of London with new roads. Both their approaches mean more traffic and pollution, not less. We will not proceed with major new road-building schemes unless the benefits are clear, including environmental and safety factors and a full assessment of alternative public transport schemes. Resources switched from the roads programme will be used to increase investment in public transport, and we will promote safer cycle and pedestrian routes throughout towns and cities. In addition, we will encourage the development of freight interchanges to facilitate growth in rail freight, and we will develop a shipping, ports and waterways strategy.

Reform aviation taxes. To encourage more fuel-efficient aircraft and discourage half-empty planes we will press for international agreement on extending emissions trading to aviation, while at the same time implementing per-aircraft rather than per-passenger charges. We will oppose the construction of international airports on new sites, and also the expansion of airports in the South East. We will end the regulation on busy national airports which results in retail rents subsidising landing charges and encouraging congestion and pollution. We will protect essential 'lifeline' routes to remote UK communities.

Green Action:

Green transport policies. All our transport policies are designed to encourage more environmental transport options, including cutting the cost of using more environmentally friendly vehicles, boosting public transport, discouraging heavily polluting vehicles and reforming aviation policies to cut emissions.

"Like everyone else who drives a car, takes a train or uses the tube – as I do twice a day – I suffer week-in week-out the mess Conservative and Labour governments have made of public transport in this country. More and more traffic congestion destroys quality of life and wrecks the environment, whilst train services are ever more crowded and unreliable. Simply put, Liberal Democrats will help people get from A to B safely without undue delay, and without wrecking the environment."

Lynne Featherstone
Chair of the Greater London Assembly Transport Committee

Stop the Abuse of Power

Every time you open a newspaper or see the news, the government seems to be taking more power for itself, and in particular for the Prime Minister.

It started with Mrs. Thatcher. It has got worse since Tony Blair became Prime Minister. His Policy Unit at No. 10 Downing Street tells ministers what to do. His Cabinet no longer makes the key decisions; he does. The House of Commons is no longer supreme; it is treated as a rubber-stamp, rather than as the people's representatives to whom government is accountable.

Local councils are controlled by centrally imposed rules and regulations, or by-passed by government-appointed boards and quangos. I remember the remarkable record of great towns and counties in the past, and the pride local people felt in them. Why does the government so undermine them?

Professional men and women, like doctors, teachers and nurses are constantly told by the government exactly what they should do. The blizzard of orders and directives is relentless. Today we have the nanny state with a vengeance.

Yet the Government does not have a popular majority for what it is doing. Even in 2001, the last election, only four out of ten voters supported it. If Britain had a fair voting system, Labour would never have had its current huge majority of parliamentary seats.

I have served in parliament for thirty years, nearly twenty in the Commons and ten in the Lords. I have never felt so worried about the safety of British democracy. It is being eroded bit by bit. Only the opposition parties in the House of Lords, and some independent cross-benchers, saved the country from a regime of detention without trial, determined not by judges but by ministers. Up to now, that kind of behaviour only happened in tyrannies like Pinochet's Chile, or Verwoerd's South Africa.

The arrogant abuse of power must be stopped, by restoring cabinet government, protecting the independence of civil servants, giving greater power to local government, and ensuring that parliament has the time to do its crucial job of holding the executive to account.

Liberties, once lost, are rarely restored. The freedom of the individual lies at the heart of liberal democracy, and we Liberal Democrats are determined to defend it.

Shirley Williams

Former Liberal Democrat Leader in the House of Lords

Better Government

Curb the power of the Prime Minister. In recent decades Prime Ministers have exercised a growing domination over the political system, insufficiently accountable to Parliament or the people. We will curb this excessive concentration of power. We will cut back the powers of patronage, in particular through our plans for a predominantly elected second chamber. We will make the Royal Prerogative powers which the Prime Minister exercises – such as decisions over war and peace – subject to parliamentary accountability, including bringing in a War Powers Act to require parliament's authority before a government takes Britain to war. A Civil Service Act will introduce a barrier to politicisation of the civil service. We will also strengthen the powers of parliament to scrutinise the actions of the government, enhancing the Select Committee system.

Cut back central government. We will cut the excessive number of government departments and reduce the number of government ministers by over a third. We will also move government bureaucracy out of London, saving money on office rents and spreading wealth and jobs more equally through the UK. The savings will be ploughed back into better public services.

More power for local communities. Our priority is to make local services, like health and education, work better for people. That means that local communities need to have more influence and say over the major issues affecting them. So we will strengthen local democracy, taking power down from Whitehall and reducing central interference and the burden of inspection. The powers of many unelected regional and national quangos and administrators will be given to local cities and counties, including returning to County Councils their strategic planning role. The healthcare planning role of Primary Care Trusts will be given to elected local social services authorities. We will streamline remaining regional functions into a single agency, increasing accountability to the local community through an executive comprising councillors elected from the cities and counties, rather than appointed by the Secretary of State. Underpinning these reforms will be a new system for dividing up government funding fairly within the UK, so that the system is fair for the nations and regions according to their real needs.

A more democratic Britain. Liberal Democrats will improve and strengthen the UK's democratic systems. Liberal Democrats in government in Scotland are already bringing in the single transferable vote (STV) system for local elections, so that local councillors will genuinely represent their community. We will extend this fair voting system to all local elections in Britain, and to the House of Commons, Scottish Parliament and National Assembly for Wales. At the age people can marry, leave school and start work, they will have the right to vote. We will review the European electoral system so people can choose their MEPs personally, rather than just vote by party list as at present. Reform of the House of Lords has been botched by Labour, leaving it unelected and even more in the patronage of the Prime Minister. We will replace it with a predominantly elected second chamber.

Better government in the nations of the UK. Liberal Democrats have led the way in arguing for devolution to Scotland, Wales and Northern Ireland. We believe that people in those parts of the UK, rather than the government in London, should take the decisions on issues that affect them directly. We will therefore strengthen the powers of the Northern Ireland Assembly and extend primary legislative powers to the National Assembly for Wales. In consultation with the Scottish Parliament, we will consider how to extend its role.

Make the BBC more independent from government. The BBC has, over the last eighty years, made a major contribution to Britain's democracy, culture and standing in the world. The Liberal Democrats will make sure it remains the world's leading public service broadcaster – strong, independent, and securely funded. But the regulation of the BBC has been insufficiently independent of its own management, and of the government. Labour's proposals fail to address this. Liberal Democrats will scrap the current government-appointed Board of Governors, and introduce a new, independent external regulator appointed by parliament, to make sure that all public service broadcasters live up to their obligations to the public.

Green Action:

Make government take the environment seriously. It is vital that government and business are made to take their environmental obligations seriously. We will strengthen reporting obligations for government and business as part of an Environmental Responsibility Act, holding government as well as business to account. We will use the purchasing power of government to boost the market for green products and services. We will unite those areas of government with the biggest impact on the environment in a single Environment, Transport and Energy department.

“Since being elected to parliament I have been appalled by how unrepresentative it is and how easily it has been manipulated by the Government, culminating in Blair taking Britain to war on a false premise. That’s why Liberal Democrats will curb the power of the Prime Minister. And we’ll introduce a fair voting system, so that parliament better represents the views of Britain and better reflects its diversity - with more women and a greater proportion of ethnic minority MPs.”

Sandra Gidley
Liberal Democrat Spokesperson for Women

The Liberal Democrat Pledge for Green Action

Catastrophic climate change is the greatest man-made threat to the planet, leading to fertile plains turning to desert, extreme weather conditions, rising sea levels, the spread of diseases and water shortages. These are not distant threats – in particular, the UK is likely to become much more vulnerable to flooding and tropical diseases such as malaria. Yet governments here and abroad have lamentably failed to rise to the challenge.

Conservative and Labour politicians have preferred short-term popularity to taking the tough decisions for the long term. This year, the Labour Government actually decided to raise the UK ceiling for emissions of the greenhouse gases that are causing climate change, and the environment does not even feature on Labour's 'pledge card'. Sometimes it feels like the Prime Minister is just too close to George Bush.

I stood for Parliament after years as an environmental campaigner, because I realised that it was only possible to change what the government does by changing the politicians. Otherwise ministers would go on saying they cared, but doing nothing. The Liberal Democrats can be trusted to make that change – that's why I joined them.

My daughter is now five years old. I want her future to be bright – not destroyed before it really starts because the present generation has failed to take action. It is time the government helped people to make the changes needed – changes that can cut energy and other bills as well as protect the world's future. It is time for a government that takes the environment seriously – before it is too late.

That's why the environment features on every page of this manifesto – a strong green thread running through everything we do and promise.

Norman Baker

Liberal Democrat Shadow Secretary of State for the Environment

Concern for the environment has always been a core Liberal Democrat value. Our policies are focused on three main areas:

- **Tackle climate change.** Catastrophic climate change is the major environmental threat to the planet. Urgent action is needed. Liberal Democrat plans will make sure that Britain achieves its targets from the Kyoto Protocol (the international agreement on the pollution that causes climate change) well before the deadline. Britain and the EU must take the lead on negotiations for the next set of targets for greenhouse gas emissions. It is vital that we include the US and Australia but we also need to work with developing countries. Our long-term goal is 'contraction and convergence' – which means agreeing for every country a sustainable population-related allowance for emissions.
- **Cleaner transport and environment.** Pollution and congestion have a major impact on people's health and quality of life, as well as on climate change. Many of the solutions to these problems involve transport and this document includes plans to promote public transport, especially the railways. However, pollution can also be cut by reducing domestic waste and promoting recycling. Pioneering Liberal Democrat controlled local authorities are leading the way in cutting unnecessary waste and we will expand these practices nationally.

- **Cleaner power.** Energy use is the main source of greenhouse gas emissions and hazardous waste. We will introduce measures to reduce energy use overall — for example through better home insulation which will also tackle the ‘fuel poverty’ faced in particular by pensioners. We will make sure that at least 20 per cent of the UK’s electricity derives from a range of renewable sources by the year 2020. Finally, given their long-term problems of cost, pollution and safety, we will not replace existing nuclear power stations as they reach the end of their safe and economic operating lives. We will use renewables and save energy instead.

“I joined the Liberal Party twenty-five years ago because they were fighting a local Tory plan to create towering rubbish dumps close to people’s homes – action speaks louder than words. Now the world faces catastrophic climate change, our commitment to the environment has never mattered more.”

Sue Doughty

Liberal Democrat Shadow Ministerial Spokesperson, DEFRA (Environment)

10 GOOD REASONS TO VOTE LIBERAL DEMOCRAT

WE OPPOSE: Putting targets first

WE PROPOSE: Putting patients first

WE OPPOSE: Tuition fees & Top-up fees

WE PROPOSE: Scrapping student fees

WE OPPOSE: Compulsory I.D. Cards

WE PROPOSE: Spending the money on 10,000 more police

WE OPPOSE: Selling your home to pay for care

WE PROPOSE: Free personal care for the elderly

WE OPPOSE: Ignoring climate change

WE PROPOSE: Cleaner transport & cleaner energy

WE OPPOSE: £1.5 billion on the child trust fund

WE PROPOSE: £1.5 billion towards reducing class sizes

WE OPPOSE: Means-testing pensioners

WE PROPOSE: £100 extra per month starting with the over 75s

WE OPPOSE: Hidden tax increases

WE PROPOSE: Only one tax increase – on income above £100,000 per year

WE OPPOSE: Unfair Council Tax

WE PROPOSE: Local Income Tax, saving typical households £450 per year

WE OPPOSE: Bush & Blair On Iraq

WE PROPOSE: Never again

END OF MANIFESTO TEXT

