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YOU CAN ONLY BE SURE WITH THE CONSERVATIVES



THE CONSERVATIVE MANIFESTO 1997

CONSERVATIVE PARTY GENERAL ELECTION MANIFESTO 1997

You can only be sure with the Conservatives

Date of Election Thursday 1 May
Party Leader John Major
Candidates 650
MPs 165
Votes 9,600,943
% of vote 30,7%

Foreword

The Conservative administrations elected since 1979 are among the most successful in British peacetime history. A country once the sick man of Europe, has become its most successful economy. A country once brought to its knees by overmighty powerful trade unions, now has industrial peace. Abroad, the cold war has been won; at home, the rule of law has been restored. The enterprising virtues of the British people have been liberated from the dead hand of the state. There can be no doubt that we have created a better Britain.

Why, then, do we still need a Conservative Government? Because resting on what we have achieved is not enough. To stand still is to fall back. Our goal must be for Britain to be the best place in the world to live. We live in a tougher, more uncertain world. A fast-moving global free market is emerging. New economic powers are rising in the East. Family life and social attitudes are changing. Europe is adjusting to the end of communism. The European social model is failing. The nation state is under threat. We must respond to these challenges. We have turned around our economic fortunes. We have fewer people out of work and more in work than any other major European economy. British people now have the opportunity of a prosperous future. But that prosperity cannot be taken for granted. We have to compete to win. That means a constant fight to keep tight control over public spending and enable Britain to remain the lowest taxed major economy in Europe. It means a continuing fight to keep burdens off business, maintaining our opt-out of the European Social Chapter. If we relax for one moment, our hard won success will slip away again.

We have strengthened choice and personal ownership for families, and rolled back the state from areas where it was interfering unnecessarily in our lives. But we now have the opportunity to achieve a massive expansion in wealth and ownership so that more families can enjoy the self-respect and independence that come with being self-sufficient from the

state. Our far-reaching proposals for personal pension funds are central to achieving this – so too are our plans to increase support for the family in our tax system.

Our aim is to spread opportunity for all to succeed, whoever they are and wherever they come from, provided they are prepared to work hard. To turn the 'have nots' into the 'haves'. To support the family in providing security and stability. We have modernised and reformed many of the areas where the state still has a vital role. But we now have to build on these reforms to deliver even better services. We must continue providing the resources to invest in our modernised health service. We can now provide parents with a hard-edged guarantee of standards in schools. We need also to widen choice in areas where state bureaucracy has constrained it. We have pioneered new ways of building partnerships that engage the private sector in areas previously dependent on the public purse. We now need to capture private sector investment on a massive scale to regenerate our cities, transform our crumbling local authority housing estates and modernise other public assets.

The only way to secure this future of opportunity is to stick with the Conservative programme of continuing reform. Now would be the worst possible moment to abandon the pathway to prosperity on which we are set. We must keep up the momentum. At the same time we must maintain the security that a stable nation provides in an uncertain, fast-changing world. We must protect our constitution and unity as a nation from those who threaten it with unnecessary and dangerous change. And we must stand up for our interests in shaping a free-market Europe of sovereign nation states.

There is, of course, an alternative on offer: to load costs on business while calling it 'stakeholding'; to increase the role of the state, while calling it 'the community'; to succumb to a centralised Europe while calling it 'not being isolated'; to break up our country while calling it 'devolution'. To risk this alternative would be a disaster for our country. We have come a very long way. We must be sure that we do not throw away what we have gained, or lose the opportunities we have earned. You can only be sure with the Conservatives.

John Major

Our vision for Britain: the Enterprise Centre of Europe

A choice of two futures: the Enterprise Centre of Europe

Our record – *enterprise*

- The UK is on course to grow faster than both France and Germany for the sixth successive year in 1998 a post-war record.
- Inflation has now been below 4% for well over 4 years, the longest period of low inflation for over half a century.
- Mortgage rates are at their lowest levels for 30 years.
- Unemployment has fallen to its lowest level for 6 years. We now have a lower unemployment rate than any other major European economy. Youth unemployment in Britain has fallen to less than 15% whereas by contrast, in France it has risen to 27% and in Italy to 33%.
- A higher proportion of our people are in work than in any other major European economy
 68% against a Continental average of 57%.

- The UK is the favourite location for inward investment into Europe, attracting around one third of inward investment into the European Union.
- We have the lowest tax burden of any major European economy, with the government taking almost 8% less of national income than the European average.
- Public borrowing has averaged 3.4% of GDP since 1979 compared with 6.8% (and a peak of 9.5%) under the last Labour Government. Our level of public debt is now one of the lowest in the European Union whereas it was one of the highest in 1979.
- In 1994 the UK lost 300,000 working days through strikes, the lowest figure ever recorded; in 1979 the figure was 29,500,000: nearly 100 times that figure.
- Britain ranks fifth in the world in international trade, and exports more per head than America or Japan. Exports account for 28% of GDP as against 9% for Japan, 11% for USA and 24% for Germany and France. Britain's current account is broadly in balance, reflecting our increased competitiveness and improved trading.

1. Doubling living standards

The free market is winning the battle of ideas the world over. From Russia to Vietnam, from China to Romania, people are realising that the socialist model has failed. This is not just an economic triumph. It is a triumph for human freedom. Britain helped to secure it. We should take pride in it. The spread of the free market heralds a new age of global competition. That means new markets for British goods and services, but new competitors for British companies as well. If we try to protect ourselves from these challenges with more regulations, public subsidies and a cosy dependence on government then Britain will fail. But if we boldly embrace these new opportunities by pushing forward the economic revolution we began in 1979, then we will enter the next millennium with boundless prospects for growth and prosperity. That choice – between stagnation and dynamism – is the choice which faces Britain at this election.

It is a stark choice between the British way – of trusting the people and unleashing enterprise – and the failing social model, practised on the continent, which the Labour Party wants to impose on us here under the guise of 'stakeholding'. Hard economic evidence shows how great is the divide between these two strategies. Britain is now in its fifth year of growing faster than France or Germany. Unemployment in Britain has fallen to less than two million, while it rises across Europe. Britain attracts nearly forty per cent of all the American and Japanese investment in Europe. Our aim now is to safeguard these achievements and build on them, so Britain becomes the unrivalled Enterprise Centre of Europe.

A low tax economy

For enterprise to flourish, the state must get out of the way of the wealth creators. We are the only party that can cut taxes because we are the only party which is serious about controlling public spending.

The choice between the two economic philosophies is clear. In the years before 1979, public spending in Britain kept pace with the average for Europe as a whole. Since then, it has continued rising on the Continent, while we have restrained public spending here. Now, public spending takes about 40% of our national income as against an average of 50% on the

continent. We have broken free from a trend in which the rest of Europe is still trapped. Conservative government will keep public spending under tight control and ensure that it grows by less than the economy as a whole over the economic cycle. At the same time we will continue to spend more on the services which matter most to people – hospitals, schools and the police.

Over the next parliament, we will achieve our goal for the government to spend less than 40% of our national income. That means we can reduce the amount government borrows too, and meet our aim of moving towards a balanced budget in the medium term. Our plans show how we can virtually eliminate public borrowing by the year 2000.

Thanks to our success in controlling public spending, Britain is now Europe's low tax economy. This is one of the reasons why we are becoming the Enterprise Centre of Europe. Our aim is to ensure Britain keeps the lowest tax burden of any major European economy. In the election manifesto of 1992, we promised that 'We will make further progress towards a basic income tax rate of 20p'. Since then, we have cut the basic rate of income tax from 25p to 23p, and extended the 20p band so that over a quarter of all taxpayers now only pay income tax at the 20p rate.

Achieving our public expenditure goals will mean we can sustain permanently low tax levels. Over the next parliament, our aim will be to achieve our target of a 20p basic rate of income tax, while maintaining a maximum tax rate of no more than 40p.

Stable Prices

Inflation has to be kept firmly under control for an economy to thrive. Britain is now enjoying the longest period of stable prices for almost fifty years. We are on target to reach our goal of 2 1/2% inflation this year. Low inflation has delivered lower interest rates whilst preserving the value of people's savings. Homeowners are now enjoying mortgage rates at the lowest levels for 30 years. It has taken tough decisions to break free from our reputation as a high inflation economy. No Conservative government will jeopardise this achievement. During the next parliament, we will maintain an inflation target of 2 1/2% or less.

Rising living standards

The only secure base for rising living standards is a strongly growing economy, low levels of public spending and taxation, and stable prices. That is exactly what Britain is achieving. People are reaping the rewards of their hard work as their take home pay increases. Between 1974 and 1979, the take home pay for a family on average earnings rose, in real terms, by just £1 a week in today's prices. Since 1979 it has increased by £100 a week and; this year alone it will increase by £7 a week.

The goal which we set ourselves in 1995 is to double living standards over 25 years. We are on course to achieve our goal.

2. Jobs and business

Our priority is to create jobs. This is not just an economic priority, but also a social and moral one. Jobs and enterprise are the best ways of tackling poverty and deprivation. Britain is

succeeding. 900,000 jobs have been created over the past 4 years. By contrast the European social model is stifling job creation on the continent by imposing regulations and burdens on business. In the United Kingdom unemployment is much lower than in the rest of Europe and falling, whereas in Germany, France, and Italy it has risen to its highest level for a generation. This is no accident. It is because we have pursued very different policies from those on the Continent

Curbing the power of trade unions, opening up markets and cutting red tape, have given us a low strike, low cost economy: and as a result we are the number one location for foreign investment in Europe. Never have such policies been so important. For the first time this century we face a world full of capitalist competition. The only way Britain will be able to compete and win in world markets is by sticking to the Conservative policies that are delivering success. We can earn prosperity as one of the world's most successful global trading nations. We should not risk this progress by adopting the very policies that have made the Continent uncompetitive and have increased unemployment in Europe by 4.5 million over the past 5 years.

Small businesses - Britain's risk-takers

Governments do not create jobs. Businesses do. The source of tomorrow's jobs will be small businesses, the seedcorn of Britain's prosperity. Over the last 15 years, small businesses have created over 2 million jobs. By the year 2000, over half the workforce should be working in companies which employ fewer than 50 people. Back in 1979 only a third of the workforce did.

Entrepreneurs often risk everything when they set up their own business. We have already helped them: raising the VAT threshold, cutting employer's National Insurance contributions, simplifying audit requirements and much more besides. Now we intend to go further, tackling the remaining problems they face.

High taxes and rates deter enterprise. Our low tax structure has been crucial to our industrial revival. We already have the lowest corporation tax of any major industrialised country. As we want small businesses to flourish, we will go even further. We will cut the small companies rate of corporation tax in line with personal taxation as we move towards a 20p basic rate. Investment and enterprise are deterred if the tax man takes too much of the capital that is built up by a successful business. Capital is ever more mobile, flying around the world to places where the tax on it is low: Britain must be one of those places. We will continue to reduce the burden of capital gains tax and inheritance tax as it is prudent to do so.

One of the heaviest burdens small businesses face is business rates. At the moment, this bears more heavily upon small businesses than large ones. In the next parliament, we will reform business rates to reduce the cost that falls upon small businesses. No businessman has time to fill out reams of forms. We will continue to simplify the administration of NICs and PAYE for small firms, allowing them to concentrate on satisfying customers not bureaucrats. We are also tackling a problem that hits small businesses particularly hard – the late payment of bills. On top of our programme to ensure government departments and local authorities pay on time we have legislated to require companies to publish their payment policy and to report their record on how quickly they pay their bills to small businesses. We have already abolished over a thousand regulations. New regulations must only be introduced if it is clear that their benefits exceed their costs and they do not place an undue burden on a small firm. We will

introduce 'sunset' requirements into new regulations whenever it is suitable so that they are automatically reviewed or dropped after a specific period.

Many businessmen suffer regulatory burdens imposed by local government and quangos. We will therefore insist that the whole of the public sector adopts the same stringent rules that we require of central government in justifying the benefits of new regulations against their costs.

Reducing the burden on companies

Jobs depend on British firms winning orders: the difference between success or failure can be wafer thin. Any extra burden on business will destroy jobs. Britain is enjoying more jobs and record investment, thanks to the competitive edge we have over other European countries. We are a low cost economy. But that does not mean we are a low pay economy.

Our competitive advantage comes from the lower costs facing our businesses. It can be measured by the social costs an employer has to pay on top of every £100 of wages: in Germany it is £31, in France £41, but in Britain, it is only £15.

Many countries in Europe have tried to cocoon themselves from global competition behind layers of red tape and regulation – such as the Social Chapter and a national minimum wage. This provides a false sense of security, playing a cruel trick on working people. It also excludes the unemployed from work. As companies in the rest of Europe have grown more uncompetitive, employers have found it too expensive to employ new workers, investment has gone elsewhere, and the dole queues have lengthened. The European social model is not social and not a model for us to follow. But if Britain signed up to the Social Chapter it would be used to impose that model on us – destroying British jobs. No Conservative government will sign up to the Social Chapter or introduce a national minimum wage. We will insist at the Intergovernmental Conference in Amsterdam that our opt out is honoured and that Britain is exempted from the Working Time Directive: if old agreements are broken, we do not see how new ones can be made.

We will resist the imposition of other social burdens on the work place through a new European employment chapter.

Welfare into work

Although governments cannot create jobs, they can help people train and find work. We now have in place a battery of schemes working with Training and Enterprise Councils to provide targeted help and training, including remedial education in literacy and numeracy. We are also developing new incentives, alongside Family Credit, to help people move off benefit into work. We will always help those in genuine need: in return, the unemployed have a responsibility to look for work and accept a reasonable offer. That belief underpins our new Jobseekers Allowance which ensures that no-one can refuse reasonable work opportunities and remain on benefit.

As unemployment falls, we want to focus on those who have been unemployed for some time. At present, Project Work is helping 100,000 people who have been unemployed for more than 2 years in cities around Britain. They are first given help in finding a job – which includes giving employers incentives to take them on. Those who do not find jobs are then required to

work for a specific period on a community project. This helps them regain work habits and ensures they are available for work. As Project Work succeeds and demonstrates that its costs can be met by the savings from getting people into work, we will extend the programme to cover the long-term unemployed nationwide. We will also develop an innovative 'Britain Works' scheme which uses the experience and ingenuity of private and voluntary sectors to get people off welfare into work.

Britain has one of the most mobile economies in Europe. People move on and up, into better paid jobs more easily than on the Continent.

The information society

Britain is at the forefront of creating tomorrow's information society. Already we have exposed domestic telecommunications to competition and stimulated investment in cable and satellite entertainment systems. And by opening up international telecommunications we will continue to encourage companies worldwide to base their global operations here.

- We will make sure that the digital revolution comes to Britain first.
- We are launching an ambitious programme with industry to spread 'IT for All', giving every adult the opportunity to try out and learn about new IT services.
- We will work with industry to ensure that all schools are connected to the information superhighway.
- We will use the Millennium Lottery Fund to transform the computer facilities and
 information links available in schools, libraries, museums, voluntary organisations and
 other public places after the turn of the century. This will give the public much wider
 access to information services in the years ahead.
- We will also take advantage of information technology to transform the way government provides services to the public.
- We will keep Britain in the vanguard of new mobile service development including mobile telephone and information services by introducing a pricing system for the radio spectrum to achieve more efficient allocation of radio frequencies.
- We will maintain a strong, free and competitive broadcasting and press environment at both national and local level, while continuing to be vigilant in monitoring whether action is needed to curb breaches of standards, and prevent unacceptable press intrusion.

Science

British science enjoys a worldwide reputation for excellence and cost-effectiveness, which makes Britain an attractive base for many domestic and overseas companies.

We will continue to invest in science and target funds at basic research, which would not otherwise be funded by industry. At the same time we will provide an enterprising environment which encourages firms to invest with confidence in applied science.

2020 Vision

There is no part of the globe which has not been reached by British enterprise and British culture. We have always looked out beyond these shores, beyond this Continent. Our language,

our heritage of international trading links, our foreign investments – second only to America's – are historic strengths which mean we are ideally placed to seize the opportunities of the global economy.

Thanks to Conservative policies of liberalisation and privatisation we are strong in industries of the future such as telecommunications, financial services, and information technology. These are the industries that will benefit from opening up trade around the world. We will push for completion of the European Single Market and continue to pursue the objective of transatlantic free trade against the background of world trade liberalisation. Our aim is nothing less than tariff-free trade across the globe by the year 2020.

Free competition is important for free markets. Companies should not make agreements that restrict competition and hence result in poor value for consumers. We have set out proposals to give companies greater protection against price fixing, dumping, and other restrictive practices by larger competitors. We will introduce a Competition Bill to take forward these proposals in the first session of the next parliament. We are committed to pushing forward our competitiveness agenda which is making Britain the Enterprise Centre of Europe.

OPPORTUNITY AND OWNERSHIP FOR INDIVIDUALS AND FAMILIES

Our record: opportunity

- The right to buy has allowed 1.5 million council tenants to become homeowners. There are over 4 million more homeowners today than in 1979.
- The Government has spent £6 billion through housing associations to provide homes for rent. Between 1992 and 1995 housing associations provided 178,000 new lettings 25,000 more than promised in the 1992 Manifesto.
- There are now around 10 million private shareholders, up from about 3 million at the time of the last Labour government. 2.5 million people now have tax-free savings in PEP accounts, and 4.5 million in TESSAs.
- Since 1979, the success of private pension provision has raised the average income of pensioners by 60% more than inflation. Almost 90% of recently retired pensioners now have incomes over and above state benefits.
- Savings in private pension funds have increased to £650 billion more than 4 times the level in 1979. Their value is greater than the pension funds in all other EU countries added together.
- Over the period 1979 to 1995, education spending per pupil rose from £515 to £1,890 an increase in real terms of 48%. Real spending on books and equipment per pupil rose 56%. Teachers' real pay rose 57%: from £270 per week in 1979 to £420 in 1995.
- In 1979, 40% of three and four year olds attended nursery school; in 1995 the figure was 59%. Our nursery vouchers now give this opportunity to every child.
- The proportion of sixteen year olds staying on in full-time education rose from 4 out of 10 in 1979 to 7 out of 10 in 1995.
- Almost 1 in 3 young people now go to university, compared with 1 in 8 in 1979.
- The proportion of adults with no academic qualifications has halved since 1979 and the

proportion of adults with a degree or equivalent has more than doubled rising from 5% to 12%.

3. Choice and security for families

The family is the most important institution in our lives. It offers security and stability in a fast-changing world. But the family is undermined if governments take decisions which families ought to take for themselves. Self-reliance underpins freedom and choice. Families are stronger if they have the money to look after themselves: that is why we are shifting power and wealth back to working families and away from the state.

We have already achieved much – the average family's disposable income has gone up by 40% since 1979. But we want to go further. The next Conservative government intends to reform the tax system so that it gives substantially more help to families. We also want to encourage people to save so they have the security and self-respect that comes from being able to rely on their own resources rather than immediately turning to the state. We have already made much progress here too with widening ownership of homes, pensions, and the new PEPs and TESSAs. We now propose further radical measures for more saving for retirement.

Families and tax

We believe families should be left with as much of their own money as possible. They know better than politicians how to spend it. We have already cut the basic rate of income tax from 33p to 23p, and our aim is to get it down to 20p, benefiting 18 million taxpayers. We intend to do even more to help families in particular. At the moment, if one spouse does not take paid work in order to look after children or dependent relatives, they not only give up earnings but may also be unable to benefit from their personal tax allowance. Yet this is the time at which their income is often most stretched. We believe our tax system should recognise and support the crucial role of families in their caring responsibilities. We will give them that support. We will give priority to future reductions in personal taxation that help families looking after dependent children or relatives by allowing one partner's unused personal allowance to be transferred to a working spouse where they have these responsibilities. This will provide a targeted reduction in the tax bill to those families who need it most. Around 2 million one taxpayer couples with dependent children, or looking after elderly relatives and others needing care, would gain up to £17.50 a week – around £900 a year.

Family savings

In the old days people just depended on the weekly pay packet or money from the state. But no job can be secure and the state cannot provide for every eventuality. It is ownership which brings true security and genuine independence from the state. That is why Conservatives have long dreamed of a property-owning democracy. Now we are delivering it in practice. Home ownership is up by 4.7 million. 10 million people own a direct personal stake in our economy. 16 million are gaining shares in their building societies thanks to our deregulation of them. We intend to carry forward our vision of a people's share. This is a significant increase

in personal security. It is the Conservative vision of security through personal savings – not a socialist vision of security through the state.

We want people to enjoy Britain's success – especially by owning shares in the companies for which they work. We have already introduced a number of schemes to encourage employee share ownership. To encourage a further expansion of worker shares, our new Share Match Scheme will allow employees to be rewarded with additional free shares if they acquire a stake in their company. Our goal is that by 2000, more than half of the employees of Britain's larger companies will own shares in those companies.

4 ½ million people now benefit from tax-free TESSAs and 2.5 million from PEP schemes to encourage the accumulation of long-term saving. We will continue to build on this success by exploring ways in which existing tax exemptions for savings can be developed – allowing individuals to secure their futures and protect their families against unexpected contingencies. We will continue to raise the threshold for inheritance tax as it prudent to do so.

People are not just saving for themselves but for their children and grand-children. These savings should not be penalised by the tax system. For many people their biggest asset is their pension. Thanks to the steps we have already taken to encourage occupational and personal pensions, we now have £650 billion invested in private pensions – more than the rest of the European Union put together. We now plan to build further on this achievement. We will make it easier for small employers to set up personal pension plans for groups of employees. We will create more flexibility for people who save in personal pension plans to continue investing in those schemes if they subsequently move to jobs with company pension schemes. We will also create flexibility for employees with savings in Additional Voluntary Contributions (AVC) schemes to take part of that pension earlier or later than their main company pension. But we believe the time has now come to plan for another important step in improving Britain's pension provision. Britain is already much better placed than many other countries to afford state pensions in the future, but we want even more people to be able to look forward to a properly funded pension that grows with the economy and is free from dependence on taxes paid by future generations.

We now propose a practical way of achieving a gradual transformation of the state pension scheme. At the start of the next parliament we will set out proposals to provide all young people entering the workforce with a personal pension fund paid for through a rebate on their National Insurance contributions. At retirement they would be entitled to the full pension earned by this accumulated investment. This could give them a pension significantly higher than they would currently receive from the state. But they would be guaranteed a pension at least equal to the current basic state pension, increased in line with inflation. This will be one of the most significant improvements in the state pension system since it was introduced. Older people currently in the workforce would be unaffected – they will continue to contribute as now and receive the normal state pension when they retire. This policy would come into effect early in the new millennium. Gradual phasing in of the new system over 40 years will make the impact on public finances affordable. Even at its peak, the net revenue forgone will be only a fraction of the savings from the recent Pensions Act. And eventually, the new policy will produce massive public expenditure savings. This far-sighted idea is in the best Conservative tradition. The growing wealth of the nation will provide for the next generation through private funding, underpinned by a state guarantee. British people will be able to look

forward to retirement with even greater confidence. And our young people will have a pensions opportunity unrivalled in the world.

Support for families

Conservatives believe that a healthy society encourages people to accept responsibility for their own lives. A heavy-handed and intrusive state can do enormous damage. Some families need help to cope with their responsibilities. For them, Social Services play a vital role. They help with children where parental care has failed. They deliver an ever wider range of services to people with learning difficulties or who are mentally ill. Our community care reforms have given them a central role ensuring that elderly people get care of the highest quality: and in their own homes where possible. We need to ensure that role is properly fulfilled.

Early in the next Parliament we will introduce a Social Services Reform Bill which will create a new statutory framework for social services. The Bill will provide for greater openness and accountability in social services. We will provide new guidance to ensure social workers properly reflect the values of the community – focusing their efforts on those families who most need support, and minimising unnecessary interference. Social workers working with children will receive special training to cope with the often heart-rending cases they face. We will raise standards through a new regulatory framework which will apply the same standards in both the public and private sector. We will also remove the power of local authorities to operate care homes where this is in the best interests of the people for whom they are responsible.

We believe that families who use social services should be able to exercise choice wherever practicable. We have given cash payments to disabled people to purchase the services they need directly. We also want new ways of reinforcing individual choice where possible. We will therefore ensure no barriers stand in the way of local authorities wanting to issue their users with vouchers to buy certain services. We will review the direct payment scheme, and provided it has been cost effective, we will extend it to other users of social services. Above all, we want to help families to help themselves.

Caring for older – or disabled – relatives is one of the most natural human instincts. We recognise the crucial – and often demanding – role carers play, and will help them more. We will introduce a Respite Care Programme. This will enable family members with heavy responsibilities caring for a relative to take a much needed break. We will also offer more practical advice for carers who want to go back to paid work. But in some cases, elderly people need more care than their friends or relatives can provide. Financing long-term care worries many families. We will create an imaginative, fair partnership between individuals and the public sector to resolve this problem. In the first session of the next Parliament we will implement our partnership scheme for long-term care, making it easier for people to afford the cost of care in old age without giving up their lifetime savings.

Good preparation for marriage can be an important aid to a successful family, while timely help in meeting difficulties can often avoid family breakdown. These are matters for voluntary effort, not the state, but we will continue to support such effort. We need to make sure efforts to help struggling families do not turn into unnecessary meddling. When the state goes too far, it is often the children who suffer. They become victims of the worst sort of political

correctness. We will introduce legislation to remove unnecessary barriers to adoption and introduce new rules to make adoption from abroad more straightforward. We will also monitor the workings of the Children Act, and act if necessary to ensure it maintains a proper balance between the rights of children and the responsibilities of adults.

Social Services departments are now the fourth arm of the welfare state. Most people will need them at some point in their lives. We will ensure that the Conservative revolution in public services now reaches Social Services.

Disabled people

We have quadrupled real spending on long-term sick and disabled people since 1979, to £22 billion. We have introduced the Disability Discrimination Act. This is the first legislation of its kind anywhere in Europe and it provides positive proof of our commitment to disabled people. We will monitor it to ensure it continues to meet its objectives. We are also providing a continuing fund to support the most severely disabled people to stay in their homes.

Security in retirement

Pensioners continue to make a positive contribution to society in retirement. They give more of their time in charitable work than any other age group. They lift some of the pressures on their own families. They help keep our nation's history and traditions alive. They have paid their National Insurance contributions and taxes and rightly expect us to continue to protect the value of the basic state pension against price rises. We will do so. We will also ensure that less well off pensioners continue to get extra help on top of the basic pension. At the same time as protecting the state pension, our encouragement of private pensions is already transforming the living standards of pensioners. The average net income of pensioners has risen by 60% since 1979. This has been achieved by our encouragement of saving for retirement. The tax system must help pensioners who have saved. Our new lower 20p rate on income from savings directly helps 1.7 million pensioners and the special age allowances raise the point at which pensioners start to pay income tax.

A better Social Security system

People in need can rely on our continuing support. And to ensure that taxpayers are willing to go on paying for that support, we have shaped a social security system we can afford, taking a steadily declining share of our national income. We are doing this by focusing benefits on those most in need, helping people off welfare and into work, and curbing welfare fraud. These policies are underpinned by our measures to help families help themselves. Social Security must be there to help families, pensioners and people in need. We will protect the value of Child Benefit and Family Credit which help with the cost of bringing up children. This is our Family Benefits Guarantee.

 We will bring the structure of benefits for lone parents into line with that for twoparent families.

- We will continue to help lone parents obtain maintenance, and assist with childcare in work: both these measures help lone parents obtain work.
- We will pilot our 'Parent Plus' Scheme that gives special help to lone parents who want to work, and extend it as it proves successful.
- Social Security fraud must be stamped out.
- We will intensify our current initiatives of inspections and checks including more home visits, to crack down further on benefit cheats.
- We will introduce benefit cards across the country.
- We will establish a Benefit Fraud Inspectorate to monitor local authorities' performance.
- We will also improve the sharing of information between government departments to catch more fraudulent claims.
- To ensure as much of the Social Security budget as possible goes into benefits, we will
 continue to improve the efficiency of administration, using the best mix of public and
 private sector operations.

Housing

Owning one's own home is an aim shared by millions of people. Over the last 18 years, the number of homeowners has increased by 4.7 million – including 1.7 million who have bought their home under the right to buy scheme. Over the next 10 years, we expect to see about one and a half million people buying their own homes – some 3,000 every week. To meet that demand, we will continue to allow local authority and housing association tenants to buy their homes or move to houses which they buy. We will also carry through our draft Bill, creating the option for those buying flats to choose a new form of commonhold ownership.

For those who wish to rent their home, we are encouraging a thriving private rental market, building on the success of housing investment trusts and protecting assured tenancies. Easier renting will help us meet our target of reducing the proportion of empty homes below 3%.

The number of empty houses has fallen in each of the last 3 years. But nothing is more frustrating for people who need social housing than the sight of a suitable property owned by the public sector lying boarded up and empty. We will stop that. Public landlords will have to sell houses which are available for occupation yet have been left empty without a good reason for more than 12 months. Housing associations and housing companies will continue to receive help in building new homes, and we will encourage more public-private partnerships. Together, these policies will help meet the demand for new public housing and make sure that there are decent homes for those in need.

Opportunities for women

Women are succeeding in Britain. More women have jobs in Britain than in almost any other European country. Women have a better education, more financial independence and more opportunities than at any other time in Britain's history. This success reflects the efforts and determination of many women. Government's role has been simpler – to level up the playing field, whether in education, where girls are now doing better than boys, or in the workplace,

where opportunities for women are the best in Europe. But we know our job is not yet done. Some women still face barriers to doing well. Some still do not have the financial security they deserve. And crime, and the fear of crime, often affect women more than men.

We will ensure women have equal opportunities in education and the workplace. This can best be achieved by keeping our economy buoyant and our labour markets flexible. And our proposals to bring crime rates down further will help women especially. But many women – and some men – face a particular problem: how to juggle job and family. For those who need or want to work, we will seek further ways to minimise the barriers to affordable, high quality childcare. For those who wish to be full-time parents, our proposals to enable them to transfer their unused personal allowance to their spouse will be worth up to an extra £17.50 a week.

We also want to give women more financial independence, particularly when they retire. We propose, as explained elsewhere, to improve flexibility in saving for retirement and to allow courts to split pensions on divorce.

Looking outwards

The spread of share ownership, the transformation of pension provision, and the sale of council houses are revolutionising our nation. Personal prosperity and property ownership are not selfish or inward-looking. People who are secure at home can look out for others in their community. Over two thirds of adults engage in some form of voluntary activity. By the end of 1997 all young people aged between 15 and 25 who want to volunteer will be helped to find an opportunity to do so. We will encourage voluntary work by others living on benefit while continuing to insist that those who are capable of work should actively seek employment. We will also develop accreditation for voluntary work to encourage employers to see it as preparation for a paid job. We will make it easier for those receiving incapacity benefit to volunteer by removing the 16-hour weekly limit on their voluntary work. It is wrong to imagine that compassion must be nationalised and that we can only help our fellow man through state action.

4. Education and opportunity

All children dream of what they might do when they grow up. Our task is to help them turn those dreams into reality whatever their background may be.

It is an exciting world, full of new opportunities for inquiring minds: it should be open to every child. Their future – and Britain's prosperity – depend on the quality of their education.

Our education guarantee

A good education is the birthright of every child. Literacy is the building block of all future learning: English is the global language of commerce and, much more, a thing of beauty. Without basic science and mathematics, the modern world is incomprehensible. Every child therefore must be taught to read, write and add up from an early age. Years of mistaken, progressive education in the 1960s and 1970s denied these precious skills to too many children. We have worked ceaselessly since 1979 to put that right. Our decision to test children and

publish the results has allowed standards to be measured and exposed. We have reformed the curriculum, toughened inspections, and given more information and power to parents. Our many excellent teachers now know what is expected of them, and already standards in schools are rising. But they are still not good enough. We must do more.

Building on what we have done, we can now offer a new pledge to parents – a guarantee of education standards.

- First, we will set national targets for school performance that reflect our objective of
 ensuring that Britain is in the top league of international standards across the whole
 spectrum of education.
- Second, we will require every school to plan how to improve its performance, and to set targets which relate to similar schools and national standards.
- Third, we will give all parents full information on the performance of their child's school.
- Fourth, to underwrite our pledge, we will ensure action is taken to bring any
 underperforming school up to the mark. We will meet this pledge by using the full set of
 levers for improved standards that we have put in place.

We are revising and simplifying the National Curriculum in primary schools to emphasise high standards in the basic skills. Parents and teachers must have an overview of not just how much a child has learnt while at school, but how the school performs against others. Poor schooling must not be protected by a veil of secrecy. Parent power is a vital force for higher standards. Regular tests and exams are essential if teachers are to discover how much their pupils have learnt, and parents are to know how much progress their children are making against national standards. That is why children are already being tested at 7, 11 and 14.

- We will publish all school test results, including the results of tests of 7 and 14 year olds.
- We propose also to assess every child at five. This will give teachers and parents a
 benchmark against which they can measure future progress. To give a better measure of
 pupils' performance, marks out of 100 will be made available to parents as well as the
 broad-brush levels.
- We will also introduce a new test for 14-year-old children that covers the whole National Curriculum assessing progress before they choose subjects for GCSE.

Tests and exams need to be rigorous and demanding. We will insist that they establish children's command of spelling, punctuation, and grammar in English tests. Children will sit arithmetic tests without calculators. We will not allow such extensive use of open books in tests and in GCSE exams. We will establish an English Language GCSE. We will continue to uphold the gold standard of A levels, and ensure that the great classics of our literature are studied at A level. At the same time students should have the chance to study more subjects in the sixth form. Rigorous tests show how individual children and schools are performing and expose schools that are not giving children the education they deserve. To underwrite our guarantee, we will then take action to improve standards. We cannot tolerate schools that fail their pupils.

By this summer every secondary school in the country will have been inspected by independent inspectors, and by summer 1998, every primary school will have been inspected as well. We have the power to take over failing schools directly and close them if necessary. We will now go further and require every school to set and publish regular targets and plans for improving their academic results. Independent inspectors will monitor the results of weaker schools and their plans for improvement at regular intervals.

Sometimes, though, schools are failing because the local education authority which runs them is failing. The authorities with the worst GCSE results and the worst results at Key Stage 2 (11 year olds) are run by Labour. Those children need our help. We will allow for an independent inspection of education authorities and intervene directly to raise standards where education authorities are letting children down. Failing authorities will be required to set out their plans to raise standards, and work with education teams – directed by independent inspectors – to implement those plans.

The vast majority of teachers do an outstanding job. They have played a key part in implementing the reforms that we have introduced. A few, though, fail their pupils. We will establish a more rigorous and effective system of appraising teachers, which reflects how well their pupils perform in tests and exams: this will identify which teachers need more help and, where necessary, which teachers need to be replaced. Many feel that the professional standing of teachers would be strengthened by the creation of a single body which could speak with authority on professional standards. We will consult with teachers and other interested parties about the possible role of such a body.

The school should be a place of stability and stimulation for children, especially if they come from a hostile or turbulent environment. To improve standards in future our new teacher training curriculum will stress traditional teaching methods – including whole class teaching and learning to read by the sounds of letters. We will also encourage more teachers to enter the profession through practical training schemes focused on classroom experience such as the Graduate Teacher Scheme.

A child is likely to learn more in a well-ordered school. Teachers must have the powers they need to maintain discipline. We will give teachers greater power to set detentions to exclude disruptive pupils and to use reasonable physical restraint where necessary. Schools also have an important role to play in spiritual and moral education. We will take steps to ensure that every school fulfils its role of providing religious education and collective worship.

Choice and diversity

When we came to power in 1979 the schools system was totally dominated by one type of school – the monolithic comprehensive. The system failed our children. It treated every child the same. It told parents where to send their children. It did not give schools the freedom to run their own affairs. Since 1979 we have created a rich diversity of schools, to serve the varied talents of all children and give parents choice within that diversity, because we believe that parents know what is best for their children. That is why we – and only we – are committed to giving the parent of every four-year-old child a voucher for nursery education so they can choose the pre-school education they want for their child, whether in a play-group, a reception class, or a nursery school in the private or state sector.

We will give more talented children, from less well-off backgrounds, the opportunity to go to fee-paying schools by expanding the Assisted Places Scheme to cover all ages of compulsory education, in line with our current spending plans. We propose to develop it further into a wider scholarship scheme covering additional educational opportunities.

The freedoms and status of fee-paying schools will be protected. Grant-maintained schools have been popular with parents across the country – whatever their politics. We will encourage more schools to become grant-maintained and will allow new grant-maintained schools to be set up where there is sufficient local demand. We will give all grant-maintained schools greater freedoms to expand and to select their pupils. Grant-maintained schools are leading the way.

Local authority schools are also benefiting from our policy of local management of schools. Our ultimate objective is that all schools should take full responsibility for the management of their own affairs. In the next parliament we will take another step towards giving them that freedom.

- We will extend the benefits of greater self-governance to all LEA schools.
- We will require local authorities to delegate more of schools' budgets to the schools themselves.
- We will give them more freedom over the employment of their staff and over admissions.
- And, where they want it, we will allow them to take over ownership of their assets, so they can make best use of the resources.

Local authorities will continue to be responsible for their schools' standards. They will provide funds, and compete with other organisations to provide services to schools. We would expect the increased responsibility of head-teachers, and their role in achieving efficiency-savings, to be recognised by their pay review body.

Schools are stronger and more effective where head-teachers and governors can shape their own distinctive character. Sometimes that means developing a speciality in some subjects. Sometimes it means selecting children by their aptitudes: where parents want this we should not stand in their way. Special abilities should be recognised and encouraged.

- We will continue to encourage the establishment of more specialist schools in technology, arts, languages and sport. We aim to help one in five schools become specialist schools by 2001.
- We will allow all schools to select some of their pupils.
- We will help schools to become grammar schools in every major town where parents want that choice.

The high standards, real choice and genuine diversity which we have introduced will produce the best results for all our children.

Lifetime learning

Lifetime learning is a reality in Britain today. Over a half of all students in universities, and seventy per cent of those in further education colleges, are adults who have returned to

education later in life. We will continue to create new opportunities for more people to participate.

There has been a revolution in further and higher education. Three and a half million people are in further education – up from just half a million in 1979. The number of young people going to university has risen from one in eight to one in three over the same period. We will ensure consistently high standards and will consult on the development of higher education when we receive the results of the Dearing Review. We have world class research in British universities which we will continue to support.

Every young person should have the opportunity to continue in education or training. We will give students between 14 and 21 a learning credit which will enable them to choose suitable education or training leading to recognised qualifications up to A levels or their equivalents. We will also introduce National Traineeships and encourage employers to offer more work-based Modern Apprenticeships to young people. Objective external assessments of a proper syllabus will be made a part of all National Vocational Qualifications. We will continue to support the network of Training and Enterprise Councils, which have created a valuable partnership between business and government. We will encourage more employers to become involved in 'Investors in People', with the public sector matching the performance of the private sector. Competitive markets demand high skills. If Britain is to win, we need to encourage learning and give people the opportunity to go where their interests and inquiring minds take them.

WORLD CLASS HEALTH AND PUBLIC SERVICES

Our record: health and public services

- Government spending has concentrated on priorities, not wasteful bureaucracy and overmanning. Despite tough overall spending plans, real spending on the NHS has risen nearly 75% since 1979, on schools by 50% and on the police by more than 100%.
- The Health Service is treating over 1 million more patients each year than before our reforms.
- The number of people waiting over 12 months for hospital treatment has fallen from over 200,000 in 1990 to 22,000 last year. The average wait has fallen from nearly 9 months to 4 months.
- The Government has set up the Citizen's Charter to provide first-class public services for all citizens. Nearly 650 organisations have received a Charter Mark for meeting demanding standards of performance, customer satisfaction and value for money.
- There are now 55,000 more nurses and midwives and 22,500 more doctors and dentists than in 1979. For every senior NHS manager, 77 people are providing direct patient care.
- Nurses' average earnings have grown 70% in real terms: from £68 a week in 1979 to £325 in 1995. Doctor's pay has risen by a third. Under Labour both were cut.
- Infant mortality has fallen from 13.2 to 6.2 per thousand over the last 18 years.
- Deaths through road accidents are now the lowest since records began in 1926. Since 1979 road deaths have fallen by 43% and serious casualties have fallen by 43% despite an 85% increase in motor traffic.

- The government has invested record amounts on transport more than £26 billion since 1979 in investment on motorways and trunk roads; £16 billion on railways; and over £8 billion on London Transport.
- Privatisation is delivering better services at lower costs. BT's main prices are down by more than 40% in real terms. Average household bills for gas and electricity have also fallen in real terms since 1990.

5. Security in health

We have been the guardians of the NHS for most of its life, improving its services and securing its funding. The benefits can be seen in our rising standards of health. 1993 was for example the first year in which no child in this country died of measles. Between 1979 and 1995 life expectancy at birth in England has increased from 70.4 years to 74.3 years for men and from 76.4 years to 79.6 years for women. We are getting healthier and we are better looked after when we are sick.

Growing resources for a modern health service

This progress has been possible because we have increased spending since 1979 by 70% more than inflation, to nearly £43 billion. And we are not stopping there. The next Conservative Government will honour a unique guarantee to the NHS. We will continue, year by year, to increase the real resources committed to the NHS, so NHS spending will continue to share in a growing economy. Under Labour there have been years when resources for the NHS actually shrank – something that would be inconceivable with the Conservatives. Money is only really a means to an end: better patient care. Now we are treating 9.2 million hospital inpatients and day cases as against 6.9 million in 1992 and 5.1 million in 1979.

Investing in skilled staff

We are committed to expanding the medical staff of the NHS. We shall therefore increase medical school intakes to 5,000 a year by the year 2000 and are ahead of schedule in reaching the target. Good nursing is the bedrock of the NHS. In particular we will increase the number of nurses with specialist qualifications in paediatric intensive care, emergency care, and cancer care. The number of nurses qualifying each year will increase in each of the next 5 years as we continue to expand Project 2000 training.

Higher standards of service

We are tackling the problem of long waiting times which can cause so much worry, distress, and pain. We have set tough targets under the Patient's Charter and as a result average waiting times for in-patient hospital treatments have fallen from more than 6 months 5 years ago to 4 months last year.

Patients no longer put up with being kept in ignorance. They want to know more. We will publish more information on how successfully hospitals are treating patients so that they and

their GPs can make more informed choices between services in different hospitals and help stimulate better performance.

Better primary care

Our vision of the NHS is one in which hospitals and family doctors gain greater power to run their own affairs. That is why we will continue to encourage the spread of fundholding among GPs. Labour by contrast would destroy the new freedoms that fundholding doctors enjoy by imposing a new layer of bureaucracy on top of them. However, we do not want the benefits of better healthcare to be confined to patients of GP fundholders. Our proposals to shift more healthcare towards family doctors are open to all. We shall implement the new Primary Care Act which will enable all family doctors to provide a broader range of patient services within their surgeries. This will include 'super surgeries' and practice-based cottage hospitals that can offer faster and more local treatment. We expect to see the number of nurses working in GP practices continue to grow, as will the number of GPs. We will extend nationwide our plans to enable more nurses to prescribe a wider range of drugs for patients, recognising their contribution to primary care.

Mental health

The last decade has also seen major changes to the care of mentally ill people. We will continue to develop a full range of services – including 24-hour nursed hostels and secure units – that can care for them in a way which is most appropriate to them and the interests of the wider community. We will not close any long-stay mental hospitals unless it can be shown that adequate care services exist in the community. We will strengthen cooperation between health and social services in the delivery of mental health services. Our recent Green Paper showed how this can be done. And we will monitor the progress of Health Authorities in developing proper mental health care plans.

Health of the nation

A modern health service is not just about treating illness, it is also about keeping people healthy. This is why we launched the Health of the Nation strategy in 1992 – the first time England has had a strategy for health. Its aim is to reduce illness and premature death by identifying common causes of ill health, like excessive smoking and obesity. Different groups in and outside the health service then work together to tackle the problems. We are already seeing progress.

Between 1990 and 1994, deaths from coronary heart disease among the over-65s, the suicide rate, and the number of teenage pregnancies fell substantially. And last year we announced that environmental targets would be added to Health of the Nation. Improved general health means fewer people requiring attention in hospitals and GP surgeries – and more resources to be spent on helping patients. Our Health of the Nation strategy is a vital part of our vision of creating a health service fit for the 21st century.

A modern health service

Healthcare is changing fast. Modern technology is constantly increasing the range of treatments which are available. Conservatives believe that the benefits of these advances should be made available to patients on the basis of their clinical need, without regard to their ability to pay. Furthermore we also believe that the NHS must have access to sufficient resources to allow it to invest in the facilities required to deliver upto-date healthcare.

Since 1979 capital investment in the NHS has proceeded at an unprecedented rate. In the future we believe these requirements will be best met in a partnership with the private sector which allows the private sector to improve the facilities in which NHS healthcare is delivered. We will promote the Private Finance Initiative which will unleash a new flow of investment funds into the modernisation of the NHS. The NHS is a British success story. It commands universal support in Britain. It is widely admired all over the world. Conservatives are proud of the part we playing in improving it still further.

6. Better public services

The public sector is being transformed the world over. Britain is in the vanguard. Everyone else wants to learn from our vision of a smaller state doing fewer things and doing them better. Old-style public services were centrally planned with little information or choice for the public who used the service. Our reforms have made these services more responsive to the public by breaking up cumbersome bureaucratic structures and shifting power to small responsive local institutions and the people who work in them. The schools, hospitals and police have all been transformed in this way. We support the people who do, not the people who plan.

In order to get better standards we are liberating services from centralised control over capital. We will push forward our Private Finance Initiative to break down these old barriers. We have made public services genuinely accountable, with useful information and real choices for the people who use them. We set tough standards and they will get tougher.

The Citizen's Charter has raised standards of customer service. When these high standards are reached we recognise and reward excellence through our Charter Mark initiative. There are now 647 Chartermarks and we will aim for more than 2000 Chartermarks by the year 2000. We will require all government agencies to apply for Chartermarks.

The days of the bureaucratic paperchase are behind us. The future is 'government direct'. We will harness the latest information technology to place the public sector directly at the service of the citizen. People will be able to use simple computer terminals to enter information directly. This will transform time-consuming transactions like completing a tax return or registering a new business.

Privatisation and competition

In 20 years, privatisation has gone from the dream of a few Conservative visionaries to the big idea which is transforming decaying public sector industries in almost every country in the world. Britain has led the way with this new industrial revolution: we can be proud of what we have achieved.

In 1979 the Government inherited a range of businesses which had come into the public sector for different reasons. Many were known for their poor standards of service, and most were making large losses. Over the past eighteen years that situation has changed substantially. Privatisation has enhanced productivity, improved customer services, raised safety and environmental standards and substantially reduced prices. Telephone, gas and electricity bills to the customer have fallen as never before. Telephone waiting lists are unknown, and water, gas and electricity disconnections have fallen dramatically. Nearly £40 billion in private sector funding has been committed to a major investment programme to meet higher quality water standards. We can now look forward to water prices falling over the years ahead.

Service standards have improved substantially. Before privatisation published service standards did not exist. Now industry regulators monitor legal requirements to provide quality services in a competitive environment. Refunds may be made when performance standards are not met. Privatisation has benefited—and will continue to benefit—consumers, shareholders, employees, and taxpayers. In 1979 the then-nationalised industries required a £50 million per week subsidy from the taxpayer. In 1996 those now privatised companies paid taxes of £60 million per week.

- We will ensure private ownership, competition and regulation continue to deliver lower prices and better services for consumers.
- We will extend competition for domestic gas users, and introduce competition in the water industry, starting with large users.
- The Post Office occupies an important part in national life. It comprises Counter Services, the Royal Mail and Parcelforce. The network of sub-post offices is vital and most are already run as private businesses. The Royal Mail provides a universal service at a standard price in every part of the United Kingdom. No one can imagine a stamp that does not bear the Queen's head. These characteristics must continue, but reforms are needed to allow the services to develop. The Royal Mail must face up to the challenges and opportunities that are arising from increasing competition and the international liberalisation of services.
- We will guarantee to preserve the national identity, universal service and distinctive characteristics of the Royal Mail, while considering options – including different forms of privatisation – to introduce private capital and management skills into its operations.
- We will transfer Parcelforce to the private sector whilst ensuring that every Post Office in the land continues to provide a full parcel service at an economical price. Privatisation works.

We will therefore continue to pass government activities into private ownership where this can bring benefits to consumers and taxpayers.

Local government

We are developing a new vision for local government. We believe local government should take a lead in the planning and development of their communities. To achieve that, we have encouraged them to work in partnership with central government, with private enterprise, and other organisations in their community. The impact of local government is multiplied when

they work in this way. To encourage this partnership, we have developed the new approach of Challenge Funding. We set up a fund to meet a particular objective and then invite competing bids for the money. Those who form effective partnerships are far more likely to win those bids. The Single Regeneration Budget Fund, for example, has stimulated many working partnerships that are bringing new life to their communities. This innovation has the potential to transform the financing of the public sector.

- We will push Challenge Funding further to reward effective local government. In addition, we are encouraging higher standards and more cost-effective provision of local services. Local authorities can enable things to happen rather than necessarily running themselves. They must look after the interests of users of their services and that is often best done by being a purchaser, not an employer. Standards of service are rising in many local authorities. There are, however, still great disparities between the best and worst performers, as the Audit Commission shows in their thought-provoking reports.
- We will keep up the pressure for higher standards and improved value for money by insisting on compulsory competitive tendering. The development of Challenge Funding and the shift in the role of local authorities from direct employers to purchasers of services will transform local authorities over the coming years. In the meantime we will, for so long as is necessary, retain the power to cap local authorities to protect taxpayers.

Strikes in essential services

Industrial relations in this country have been transformed. Insofar as there is a still a problem it is concentrated in a few essential services where the public has no easy alternative and strikers are able to impose massive costs and inconvenience out of all proportion to the issues at stake. We will protect ordinary members of the public from this abuse of power.

We will legislate to remove legal immunity from industrial action which has disproportionate
or excessive effect. Members of the public and employers will be able to seek injunctions
to prevent industrial action in these circumstances. Any strike action will also have to
approved by a majority of all members eligible to vote and ballots will have to be repeated
at regular intervals if negotiations are extended.

Transport

Our railways are already improving now they have been liberated into the private sector. Passenger numbers are up: more people are using the railways every day. Investment is up: Railtrack plans to spend £4 million each day on improving stations and maintaining and renewing the network. The new train operators are committed to investing £1.5 billion in new and refurbished rolling stock. And key fares are falling in real terms for the first time in a generation, with guaranteed price controls keeping fare increases below the level of inflation until at least 2003. We intend to build on this growing success story to create a thriving railway network for the new century.

- We will complete the successful transfer of British Rail into the commercial sector.
- We now want to draw in private investment to modernise London Underground and improve services to passengers. We will bring forward plans to privatise London

Underground. Proceeds from privatisation will be recycled in order to modernise the network within 5 years – creating an underground system to serve the capital in the 21st century. We will regulate fares so they rise by no more than inflation for at least 4 years after privatisation. We will also protect services – including the Travel Card and concessionary fares. After completing the modernisation of the network, the majority of the remaining surplus from privatisation will be channelled into additional support for transport investment in London and elsewhere in the country.

We will continue to encourage public transport. In particular, we will use the existing funding for local authorities to promote developments which make it easier to transfer from rail to bus. We recognise the needs of road users, and will continue to work with the private sector to sustain our road building and maintenance programme. Already under the Private Finance Initiative the private sector is contributing some £1 billion to investment in roads and achieving significant savings in construction costs. We will also tackle road congestion by introducing new regional traffic control centres, by extending the use of variable speed limits, and by ensuring that local authorities have the necessary powers to act.

- We will promote a cleaner environment by supporting a Europe-wide reduction in vehicle
 emissions, and encouraging the manufacture of more fuel-efficient vehicles. We will
 continue to build on our record of improving safety on roll-on roll-off ferries and cargo
 ships through higher standards of survivability and the measures in the Merchant Shipping
 Act
- We will continue to make it easier for people to travel by air. Already over the last 5 years opening up the market in Europe has led to more services and lower fares. We will build on that success in negotiations with the United States and other countries. We will also continue to encourage the development of regional airports offering new direct services to the rest of the world in the same way that we have already opened up new regional links with Europe and the United States. We will privatise the National Air Traffic System because it will be run better in the private sector. Competition and enterprise are the best way to improve our transport system.

A SAFE AND CIVIL SOCIETY

Our record: a safe and civil society

- Spending on the police has doubled since 1979 after allowing for inflation. There are now about 16,000 more police officers than when we took office. 2,360 more constables have been recruited since the last election and the Government is giving Chief Officers the resources to recruit 5,000 extra police constables over the next 3 years.
- Recorded crime has dropped in each of the last 4 years. It is now over 10% down on 1992 levels more than half a million fewer offences the biggest drop since records were first kept.
- There are now 153,000 neighbourhood watch schemes in England and Wales 38,000 more than in 1992 covering 5.5 million homes. We have helped fund over 4,000 Closed Circuit TV schemes over the last 2 years for additional security.

- Our national DNA database the first in the world now has over 112,000 samples on it. 3,300 matches have so far been made between suspects and crime stains.
- The Government has increased the maximum penalty for taking a gun to a crime and for attempted rape to life imprisonment. Since 1985 the average sentence for violence against the person has risen by a third and for sexual offences by nearly 40%.
- The number of cars stolen has fallen by nearly 20% in the last four years that is about 100,000 fewer cars stolen.
- We have built 22 new prisons since 1980. Slopping out has ended. No prisoners now sleep three to a cell designed for one. Prison escapes have fallen by 80% since the last election.
- Mandatory drug testing has been introduced throughout the Prison Service. Home leave has been cut back down by half in two years.
- We have made witness intimidation a crime. 500 people were charged with that offence in 1995 alone.
- We have stepped up the fight against drugs and organised crime, giving the Security Service powers to support the police and Customs and Excise in tracking down the serious criminals.

7. Law, order and security

People have a right to sleep safely in their homes and walk safely on the streets. Governments have a duty to maintain that security. Our reforms are aimed at ensuring that crime does not pay. And they are working – the pessimists and the scoffers are wrong. Recorded crime has fallen every year for the last 4 years. It is now 10% lower than it was in 1992. That is over half a million fewer crimes – the biggest drop since records were first kept in the middle of the 19th century. But crime is still too high. We must do more. Our aim is to keep crime falling over the lifetime of the next Parliament. This is what we will do

Safer communities

Anti-social behaviour and petty crime disrupt communities and spread human misery. The police are rightly now vigorously tackling problems such as graffiti, vandalism and drunkenness. Where such behaviour goes unchecked more serious crimes will follow.

We will support chief constables who develop local schemes to crack down on petty crime and improve public order. Closed circuit television has proved enormously successful in increasing public safety.

We will fulfil the Prime Minister's pledge to support the installation of 10,000 CCTV cameras in town centres and public places in the 3 years to 1999. We will provide £75 million over the lifetime of the next Parliament to continue extending CCTV to town centres, villages and housing estates up and down the country that want to bid for support. We will also continue to take other steps to improve the safety of our streets and communities. In this Parliament we have given the police power to seize alcohol from under-18s caught drinking in public. The police have been given the power to stop and search in a specified area for up to 48 hours if they reasonably believe people to be carrying knives. Identity Cards can also make a contribution to safer communities.

We will introduce a voluntary identity card scheme based on the new photographic driving licence. It will, for example, enable retailers to identify youngsters trying to buy alcohol and cigarettes or rent classified videos when they are under age.

Tackling juvenile crime

A fifth of all crime is committed by under-18s. We are encouraging schools to reduce truancy through the publication of league tables and by supporting local projects to tackle the problem. We are developing a network of local teams to identify children who are at risk of turning to crime and to take early steps to address the factors which put them at risk. We will encourage these local child crime teams to refer children from primary school age upwards who are at risk of, or actually, offending to programmes to tackle their behaviour and fully involve their parents.

The courts would be able to impose an order - a Parental Control Order - on the parents of children whom they believed could keep control of their children but were refusing to do so. Courts will be given the power to attach conditions to Parental Control Orders. Conditions might include a requirement to keep their children in at night, taking their children to and from school, attending a drug rehabilitation clinic or going to sessions to improve their skills as parents. Parents who breached these conditions – in defiance of the court – would face a range of possible sanctions.

Appearing before a youth court should be a daunting experience for the juvenile concerned. All too often it is not. At the moment about a third of all juveniles appearing before the youth courts are discharged without any punishment at all. This sends all the wrong signals to youngsters – particularly first time offenders – who then feel they can get away with crime. We will give the courts the power to impose speedy sanctions on youngsters, involving wherever possible an element of reparation to the victim. The probation service – rather than social services – will be responsible for enforcing community punishments for under-16s.

Persistent juvenile offenders need to be properly punished. We are piloting a tough new regime, with a heavy emphasis on discipline, at a young offender institution and at the military prison in Colchester. In 1994 we doubled the maximum sentence for 15–17 year olds to 2 years detention in a young offenders institution. We have given the courts the freedom to allow the publication of the names of convicted juveniles. We will give the courts the power to detain persistent 12–14-year-old offenders in secure training centres once the places become available. We have given the courts the power to impose electronically monitored curfews on 10 to 15-year-old offenders. We will introduce pilots to test their effectiveness. If successful we will consider extending them nationwide.

Catching, convicting and punishing

We back the police every inch of the way. There are now about 16,000 more police officers – and over 18,000 more civilians helping them – than when we took office. We are providing chief constables with the resources to recruit 5,000 extra police constables in the three years to 1999. We support police initiatives to target the hard core of persistent criminals. Intelligence is crucial for this

We will establish a national crime squad to provide an improved nationally coordinated approach to organised crime. Once caught, criminals must be convicted and then properly punished. The public need to be protected. We have reformed the right to silence, despite opposition from Labour. The number of suspects refusing to answer police questions has nearly halved as a result. We have piloted curfew orders for adult offenders. They have been shown to keep criminals indoors – curbing their freedom as a punishment – and keeping them out of trouble in the meantime.

We will extend electronically monitored curfew orders nationwide for those aged 16 and over. Persistent offenders account for a high proportion of all crime. Prison works – not only as a deterrent, but in keeping criminals off the street. Those sent to prison are less likely to reoffend on release than those given a community punishment. We will provide another 8,500 prison places by the year 2000. We will introduce minimum sentences for violent and persistent criminals to help protect the public more effectively, reversing Labour's wrecking amendments to our tough Crime Bill.

Anyone convicted of a second serious sexual or violent crime, like rape or armed robbery, will get an automatic life sentence. Persistent house burglars and dealers in hard drugs will receive mandatory minimum prison sentences of 3 and 7 years, respectively.

We will restore honesty in sentencing by ensuring that criminals serve the sentence intended without automatic early release.

Support for victims

Concern for the victim must be at the heart of our entire approach to the criminal justice system. We will continue to give strong backing to Victim Support. We will give courts in all cases the discretion to allow witnesses to give evidence anonymously if they believe them to be at risk from reprisal. We will also take action to allow a judge to stop a defendant from personally questioning the victim in rape cases and other cases where the victim is particularly vulnerable. Conservatives are on the side of the victims not the criminal.

Strengthening the fight against City crime

Crime that takes place through manipulation of financial accounts and markets is as serious as crime on the street. The City's unchallenged position as Europe's most dynamic and successful financial centre owes a great deal to its reputation for honesty and fair dealing. We will help ensure that this reputation is maintained.

We will bring forward in the next Parliament a package of measures designed to modernise the current systems for dealing with City fraud. This will include legislation to allow the Inland Revenue to pass confidential information to the police, the Serious Fraud Office and the financial regulators to assist in the investigation of cases involving serious financial fraud. We will also remove the remaining legal obstacles to the controlled exchange of confidential information between the police and the regulators in this kind of case.

Faster justice

Justice delayed is justice denied. It is wrong that people who are innocent should face an excessive wait before the start of their trial. The guilty need to be held to account for their actions promptly. And victims should be given the chance to draw a line under their experience as quickly as possible. We are determined to speed up justice without diminishing the genuine rights of every citizen to a fair trial.

Last October the government set up a review of delays in the criminal justice system. It made a series of detailed recommendations. We see merit in those recommendations and will seek the views of interested parties. We believe that taken together they could dramatically speed up the prosecution process, bringing the guilty to justice and acquitting the innocent more quickly. All defendants would appear in court the next working day after they were charged. At least half of them would be convicted the next day compared with just 3 per cent at the moment. And the time taken to bring juveniles to court would be cut from 10 weeks to a matter of days.

Civil justice

The civil justice system of this country is a vital part of its competitive economy and has a high international reputation. The commercial courts attract substantial litigation from all over the world, generating significant foreign earnings. We will seek to maintain the high standing of these courts. We have greatly improved the service the civil courts provide for the aggrieved citizen.

The simple procedure for small claims has been extended to claims up to £3,000. For large claims the county court now provides an efficient local service with specialised courts in many locations around the country, leaving the High Court to deal with the more complex and difficult issues. We will push ahead with the major reforms now under way which will greatly speed up the process and improve the delivery of justice without imposing additional burdens on the taxpayer.

The legal profession

We will ensure that the framework in which the legal profession operates is responsive to the changing needs of our people and is one in which unjustified restrictions have no place. We have, for example, given most solicitors rights of audience in the higher courts under appropriate conditions.

Legal aid

People are rightly concerned about the rising costs of legal aid. We have taken many steps to control the burden and to deny access to legal aid to the 'apparently wealthy' – those who qualified technically, but whose lifestyles suggested they should not. But more is required.

We will change the structure of legal aid to ensure that it, like other vital public services, functions within defined cash limits. This will enable us to identify priorities and serve them much more efficiently than the present system.

Drugs

Drugs are a menace to the very fabric of our society. They ruin the life of addicts and their families. They can destroy whole neighbourhoods. The promising youth of today can too easily become the sad dropouts of tomorrow, turning to crime and violence. The Conservative Government has a comprehensive strategy, launched in 1995, committed to fighting drugs in communities and in schools. It is tough on criminals and vigilant at our ports. It is respected throughout the world. We spend over £500m every year in tackling all aspects of drug problems.

We will continue the fight against drugs through a coordinated approach: being tough on pushers; reducing demand by educating young people; tackling drug abuse at local level through Drug Action Teams; saying 'No' to legalising drugs; and working with international agencies and foreign governments to resist the menace spreading. This pernicious evil has to be fought by all of us.

A CONFIDENT, UNITED AND SOVEREIGN NATION

Our record: the nation

- Many of our old cities have been rejuvenated through a partnership of public and private investment.
- The area of green belt has doubled since 1979.
- Water and air quality in the UK have improved significantly.
- We are one of only a few nations on course to meet our commitment to return emissions of all greenhouse gases to 1990 levels by 2000.
- The Lottery has been established as the most successful in the world raising £3 billion for good causes in a little over 2 years.
- More support is now given to arts and heritage than at any time in our nation's history.
 We now provide nearly 20% more for the arts than the last Labour Government, over and above inflation.
- British talent was this year nominated for 30 Oscars. British music is again receiving international acclaim. The industry is worth £2.5 billion, more than shipbuilding or electric components: one in 5 CDs and records sold anywhere has a British connection.
- There is record investment in our sports facilities. Already the Lottery has provided £480 million for sport, including the planned British Academy of Sport, English National Stadium and for the first time direct funding for British athletes.
- We have continued to stand up for British interests in Europe, protecting our optout of the Social Chapter, maintaining our border controls, and preserving our budget rebate – worth £18 billion since it was introduced.
- We have the most professional armed forces in the world. We have modernised our nuclear deterrent by replacing Polaris with Trident.

8. The best place in the world to live

Britain is admired the world over. Every year, millions of tourists travel here to enjoy our heritage and culture, our cities and countryside, our way of life. Our nation's history is an

anchor in a sea of change. We need to protect, cherish and build upon what is great about our country, so our children grow up in a better Britain. We also must make sure that everyone, wherever they live, has the support of a strong, tolerant and civilised community.

Our aim is for this generation and future generations to take pride in Britain as the best place in the world to live.

Britain's cities

London is one of the world's greatest cities. It is livelier than ever. Our vision of its future is set out in a separate manifesto. Many of our cities have undergone a complete transformation over the last decade. We have promoted partnerships – through schemes such as Urban Development Corporation, the Single Regeneration Budget and City Pride to attract private enterprise and investment back to inner cities. These initiatives are bringing hope, opportunity, and prosperity to what were once wastelands of urban decline.

As the country thrives and becomes more prosperous, one of our central tasks is to apply the same approach to transform the legacy of soulless, decaying public housing estates. They are places that suffer from the very worst kind of poverty – poverty of aspiration. We have already made a start – spending over £2bn over the last 10 years on improving 500 of the worst estates. And we have shown how it is possible to tackle the economic and social problems alongside new investment in buildings – where possible, bringing in a greater mix of public tenants and private housing to recreate a more balanced community. Now we will extend this approach, focusing the Single Regeneration Budget to launch a combined attack on crime, unemployment and underachievement, and developing the government's partnership with the private sector to help fund the massive investment that will be required.

Over the next decade, we aim to raise some £25bn of new private investment in housing estates by encouraging tenants in more than half of the remaining public sector housing stock to opt for transferring their homes to new landlords. These transfers will only occur where tenants choose this route to improve their estates.

We will use this approach to regenerate the worst housing estates and transform the lives of those who live on them – targeting support for programmes to improve education standards, employment and crime prevention alongside new private sector investment. As well as this attack on poor housing, we will continue to help the homeless. We will carry through our planned extension of the Rough Sleeper Initiative from London to other big cities.

We will provide sufficient hostel places to ensure that no-one needs sleep out on the streets.

Rural communities

Britain is blessed with some of the most beautiful countryside in Europe. We need to protect the best of countryside whilst ensuring good jobs, and living conditions for people who live there. We have to strike a balance: our rural communities must not become rural museums, but remain vibrant places to live and work. We will make sure government departments work together to ensure that balance is kept. We will continue to protect the green belt from

development making sure that derelict and under-used urban land is developed in preference to greenfield sites.

We will use the planning system to ensure that more new homes are built on reclaimed sites in our towns and cities. We will aim for more than 60 per cent of all new homes to be built on derelict sites. This will reduce the pressure to build in our countryside and expand choice where it is needed most. We will support our rural communities, by giving special rate support to small village shops and post offices. The planning system can do more to help too.

We will introduce a new Rural Business Use Class to encourage job creation in the countryside.

We will increase support for schemes which promote care for the countryside – like Countryside Stewardship. We believe participation in traditional country pursuits, including fishing, is a matter for individuals. A Conservative Government will not introduce legislation that interferes with the rights of people to take part in these activities. We will also encourage managed public access to private land – in agreement with farmers and landowners – but strongly resist a general right to roam, which would damage the countryside and violate the right to private property. We aim to double Britain's forest cover over the next fifty years. We will continue to encourage tree planting by targeting grants, encouraging investment in wood processing, and using new freedoms with the reform of the Common Agricultural Policy.

Agriculture and fisheries

We will continue to provide robust support to the British beef industry through the BSE crisis until its long-term strength is restored. We will vigorously pursue the eradication of BSE in the United Kingdom, as we have been doing successfully for the last eight years. We will spare no efforts in our fight against the unwarranted ban on British beef exports. Public health and food safety have been the government's top priorities throughout the BSE crises.

We will tighten up control over food safety by appointing a powerful and independent Chief Food Safety Adviser and Food Safety Council to advise government. We will continue to push for fundamental reform of the Common Agricultural Policy, moving away from production support to measures that will give our farmers the opportunity to compete while safeguarding the rural environment. We will ensure that no change to the Common Agriculture Policy unfairly disadvantages British farmers.

Fishing is a vital industry in many parts of coastal Britain. We will continue our fight to secure a prosperous long-term future for the industry and sustainable management of our fish stocks.

We will insist at the IGC and elsewhere on measures to stop quota hopping and prevent the vessels of other countries from using UK fishing quotas. The integrity of our 6- and 12-mile fishing limits is not negotiable. We reject any idea of a single European fishing fleet. We believe that fishermen should have more say in decisions affecting their industry. We will press the European Commission to establish regional committees to give fishermen a direct influence in fishing policy. We will use these committees to develop new ways of managing quota and regulating fisheries which are more sensitive to the industry's needs.

Animal welfare

A civilised society respects its animals. Britain will continue to take the lead in improving standards of animal welfare in Europe. In 1995 we secured a major breakthrough in the treatment of animals in transport; in 1996 we won victory in our campaign to ban veal crates throughout the EU. We are determined that standards should continue to rise and that all EU countries should have to meet them.

We will seek to ensure that all European countries have to raise animal welfare standards. We are not going to take any risks with rabies. There may, however, be ways other than quarantine which maintain or increase protection for public health, while improving the welfare of pets and reducing the costs to travellers.

We will publish a Green Paper on rabies protection, setting out all the options including the existing controls, early in the new Parliament.

Britain's environment

Britain has an enviable track record in protecting our environment. Our rivers, beaches and water are cleaner and we are using our energy more efficiently. We are leading the world in reducing the level of the 'greenhouse gases' that cause global warming and pressing for policies that will enable the world to sustain development without longterm damage to the environment.

Our Green Manifesto is published separately. We have clear objectives to build on this record. We will set tough, but affordable targets, with published environmental strategies to improve air quality and banish city smog — with tighter standards on vehicle emissions and pollution crackdowns around the country. We aim for sustained improvements in water quality, at a pace which industry and consumers can afford. We will develop labelling of products that gives consumers information to show the environmental impact of how they were made. In addition, we will continue to use the tax system and other incentives to encourage the use of vehicles and fuel which do not pollute the environment. And, we will continue to explore policies based on the principle of polluter pays: those who contaminate land, pollute the environment or produce harmful waste should be made responsible for their actions and pay for the consequences.

Britain – a tolerant country

Tolerance, civility and respect have always been hallmarks of our nation. It is thanks to them that we have an excellent record on race relations. Everybody, regardless of colour or creed, has the right to go about his or her life free from the threat of intimidation. We are taking tough action to tackle harassment. Under proposals in the Protection from Harassment Act 1997, it will be a crime to behave in a way which causes someone else to be harassed. The maximum penalty will be 6 months in prison. Firm, but fair, immigration controls underpin good race relations. We will ensure that, while genuine asylum seekers are treated sympathetically, people do not abuse these provisions to avoid normal immigration controls.

A world leader of sports, arts and culture

Britain is enjoying a cultural renaissance. British music, films, television, fashion, art and food are winning plaudits the world over. They add excitement, fun and enjoyment to our lives. Our success brings pride to everyone. The National Lottery, which John Major set up, will pump billions of pounds into Britain's good causes. Its proceeds will weave a new, rich thread of opportunity and charity into the tapestry of British life. In addition to benefiting major national institutions, about half of the awards are for amounts under £25,000 – benefiting local communities up and down the country. We will encourage new ways of distributing awards to support the performing arts – through support for amateur productions and community events, providing more musical instruments, and helping productions tour round the country.

The National Lottery will also help us train and promote British sporting talent. The English National Stadium and British Academy of Sport, funded by the Lottery, will be new focal points for sporting events and excellence. We will encourage more young people to play sport, by ensuring every school plays a minimum level of sport, including competitive sports, and developing a network of Sporting Ambassadors – sporting celebrities who will visit schools to inspire young people. We also encourage the Sports Council to use Lottery money to employ over 1000 additional community sports coaches to assist in Primary Schools. The development of young talent is important in all fields.

We will encourage the use of Lottery money to train young athletes and artists, with revenue funding for bursaries, concessionary tickets to professional performances and support for young people's organisations and productions. The Lottery will also fund our Millennium celebrations. They will be inspirational as well as enjoyable. We want these be a showcase of British excellence. Britain will be able to look back on past achievements with pride, and look forward with confidence.

9. Europe and the world

Britain is a world leader as well as a European nation. Our economic strength, our history and our language make us a global trading nation with links right around the world. Only the United Kingdom is a member of the European Union, the United Nations Security Council, the Commonwealth, NATO and the Group of Seven leading industrial nations. In the Gulf, Bosnia, Cyprus and Northern Iraq, John Major has shown how our nation can contribute to world peace. We will continue to work with international partners to secure peace and stability in areas of tension such as former Yugoslavia; in Kashmir; in Cyprus; and in the Middle East. We will promote reform of the United Nations to make it a more effective organisation for securing international stability. Britain will continue to deploy our outstanding Armed Forces as peacekeepers under the United Nations. And we will support the aspirations of the Poles, Czechs, Hungarians and others to join the European Union and NATO.

After the transfer of Hong Kong, we will work under the terms of the Joint Declaration to help sustain the prosperity and way of life of the people of Hong Kong and build on the substantial British interests that will remain. We will continue to support the Commonwealth, our unique global network, to encourage the spread of democracy, as set out in the Harare Declaration.

We will focus our aid programme to encourage sustainable development in countries that are growing towards self-sufficiency under democratic government. We have taken the lead in alleviating the burden of debt for the world's poorest countries. We also have significant flows of private investment to developing economies. We are more than achieving the long-term UN target of 1% of GDP for the transfer of wealth to less developed countries. We will continue to maintain a significant bilateral and multilateral aid programme reflecting the aspiration of meeting the UN's target of 0.7% of GDP for aid as a long-term objective. We will also continue to provide leadership in Europe and internationally on environmental issues, building on the Rio Conference to encourage sustainable development – meeting our commitment to reduce carbon dioxide (CO) emissions by 10% on 1990 levels by 2010 to prevent climate change. The Prime Minister has committed himself to attending the next UN Environmental Conference in June.

Britain and the European Union

We believe that in an uncertain, competitive world, the nation state is a rock of security. A nation's common heritage, culture, values and outlook are a precious source of stability. Nationhood gives people a sense of belonging. The government has a positive vision for the European Union as a partnership of nations. We want to be in Europe but not run by Europe. We have much to gain from our membership of the European Union – in trade, in co-operation between governments, and in preserving European peace. We benefit from the huge trade opportunities that have opened up since Britain led the way in developing Europe's single market. We want to see the rest of Europe follow the same deregulated, enterprise policies that have transformed our economic prospects in Britain. However, in June, the nations of the European Union will gather in Amsterdam to negotiate possible amendments to the Treaty of Rome. It is a moment of truth, setting the direction in which the European Union will go. It will also be crucial in ensuring that we have a relationship with the rest of Europe with which we can be comfortable.

A Conservative Government will seek a partnership of nation states. Some others would like to build a federal Europe. A British Conservative Government will not allow Britain to be part of a Federal European State. The diversity of Europe's nations is its strength. As more nations join the European Union, it needs to become flexible not more rigid. We must also ensure that any developments which only include some Members do not work to the disadvantage of others. Our priorities for Europe's development will be enlargement of the Community, completion of the single market, reform of the European Court of Justice, and further strengthening of the role of national parliaments. We will seek more co-operation between national governments on areas of common interest – defence, foreign policy and the fight against international crime and drugs. We also believe the European Union itself should do less, but do it better. So we have proposed incorporating the principle of subsidiarity – that the European Union should only do that which cannot be done by Member States acting alone – into the Treaty. This is how we are approaching the Inter-Governmental Conference.

We will argue for a flexible Europe which fully accommodates the interests and aspirations of all its Member States and where any new proposals have to be open to all and agreed by all.

We will not accept other changes to the Treaty that would further centralise decision-making, reduce national sovereignty, or remove our right to permanent opt-outs.

We will retain Britain's veto and oppose further extension of qualified majority voting in order to ensure we can prevent policies that would be harmful to the national interest. We will defend the rights of national parliaments and oppose more powers being given to the European Parliament at the expense of national parliaments.

We will take whatever steps are necessary to keep our frontier controls. We will resist attempts to change the inter-governmental nature of cooperation in Justice and Home Affairs. We will not accept the development of new legal rights that extend the concept of European Citizenship. Britain's rebate has so far saved British taxpayers £18bn and we will protect it.

One of the greatest challenges Europe faces is to cut unemployment and make its businesses competitive. Here Britain is leading the way. We will continue to argue for deregulation and lower costs on Europe's businesses, the policies that have helped give Britain one of the strongest economies in Europe. We will not put that achievement at risk by signing up to the Social Chapter, which would open the door to imposing the high costs of the European Social Model on British business. Once Britain accepted the Social Chapter we could not stop many of these damaging policies being imposed on us by Qualified Majority Voting. We will insist that any new Treaty recognises that our opt-out from the Social Chapter enables Britain to be exempt from the Working Time Directive, and prevents any abuse of our opt-out. And, we will not accept a new employment chapter in any revised Treaty, which would expose British businesses to new costs.

We made it clear in the previous chapter that we will continue to work for further reform of the Common Agricultural Policy, and the lifting of the worldwide ban on British beef, and insist on measures to stop quota hopping by foreign fishing vessels. Protecting Britain's interests demands tough, experienced negotiation. John Major has proved he has these qualities – including the resolve to say no when necessary even if that means being isolated. Labour have said they would never want Britain to be isolated in Europe: they would damage Britain's success by undermining our veto, signing up to the Social Chapter and following in others' footsteps – even where they lead in the wrong direction. They support policies that would fragment the United Kingdom's influence within a Europe of Regions. The Liberal Democrats welcome the end of the nation state. Only the Conservatives can be trusted to stand up for Britain in Europe: our national interest must be protected.

A single currency: our referendum guarantee

The creation of a European single currency would be of enormous significance for all European States whether they are Members or not. We must take account of all the consequences for Britain of such a major development of policy.

John Major secured for us at Maastricht an opt-out from the commitment to enter a single currency. It is only because of this opt-out that we have the right to negotiate and then decide whether it is in Britain's interest to join. It is in our national interest to take part in the negotiations. Not to do so would be an abdication of responsibility. A single currency would affect us

whether we were in or out. We need to participate in discussions in order to ensure the rules are not fixed against our interests. The national interest is not served by exercising our option – one way or the other – before we have to.

For a single currency to come into effect, European economies will have to meet crucial criteria. On the information currently available, we believe that it is very unlikely that there will be sufficient convergence of economic conditions across Europe for a single currency to proceed safely on the target date of January 1st 1999. We will not include legislation on the single currency in the first Queen's Speech. If it cannot proceed safely, we believe it would be better for Europe to delay any introduction of a single currency rather than rush ahead to meet an artificial timetable. We will argue this case in the negotiations that lie ahead. We believe it is in our national interest to keep our options open to take a decision on a single currency when all the facts are before us. If a single currency is created, without sustainable convergence, a British Conservative government will not be part of it.

If, during the course of the next Parliament, a Conservative government were to conclude that it was in our national interest to join a single currency, we have given a guarantee that no such decision would be implemented unless the British people gave their express approval in a referendum.

Defence in an unstable world

The old rivalries of the Cold War have been replaced by new tensions. Britain must be able to react rapidly to protect our security and interests around the globe. Our armed forces are the most professional in the world.

- We have cut unnecessary bureaucracy and increased efficiency, and directed money to support our services in the frontline. We have made the changes necessary to adapt our services to the threats which we might now face.
- We have set out defence plans based on stable levels of funding. There is no need for a defence review, which would raise fear and uncertainty about the future.
- We will continue to ensure the Services have the modern weapons they need to guarantee their superiority against potential aggressors.
- We will make sure we can conduct military operations throughout the world, and develop our capability to deploy the three services together and rapidly, including the ability to transport heavy equipment into an operational zone.
- We will take part in ballistic missile research so we can decide whether we should procure any such system for the United Kingdom.
- We will continue to target our efforts on recruiting for the armed forces.
- We will set up an Army Foundation College, which will provide 1,300 places for 16 and 17 year olds who want to join the Army.
- We will also enable the reserve forces to play a more active role in operations.
- We appreciate the enormous value of cadet forces, and our current plans including resources to encourage their further development.
- We will continue to support Britain's defence industry, and we will work with companies
 to identify the technologies of the future. NATO will remain the corner-stone of our
 security.

• We will resist attempts to bring the Western European Union under the control of the European Union, and ensure that defence policy remains a matter for sovereign nations.

10. The constitution

Alone in Europe, the history of the United Kingdom has been one of stability and security. We owe much of that to the strength and stability of our constitution – the institutions, laws and traditions that bind us together as a nation. Our constitution has been stable, but not static. It has been woven over the centuries – the product of hundreds of years of knowledge, experience and history. Radical changes that alter the whole character of our constitutional balance could unravel what generations of our predecessors have created. To preserve that stability in future – and the freedoms and rights of our citizens – we need to continue a process of evolution, not revolution.

Conservatives embrace evolutionary change that solves real problems and improves the way our constitution works. In recent years we have opened up government, devolved power and accountability, and introduced reforms to make Parliament work more effectively. It is that evolutionary process that we are committed to continue.

Open, accountable government

In recent years we have taken significant steps to open up government to public scrutiny, and give individuals more information to hold government and public services to account.

- We have introduced a code on access to government information, policed by the Ombudsman.
- We have published information on the workings of government previously held secret –
 including the composition of Cabinet Committees, and the structure of the Security and
 Intelligence Services.
- We have introduced a new Civil Service Code, and reformed the process for public appointments.
- We are pledged to legislate on the commitments in our 1993 White Paper on Open Government, including a statutory right of access by citizens to personal records held about them by the government and other public authorities.
- And we have set up the Nolan Committee and have implemented its proposals to ensure that the highest standards are maintained in public life. But our reforms go even wider than that
- We have transferred power from central bureaucracies to local organisations such as school governors and hospital trusts.
- We have introduced the Citizen's Charter.
- We have also required them to publish information on their performance information
 which enables the local community to keep a check on standards and apply pressure
 where needed.

Wherever possible, we are widening competition and choice in public services. Regional government would be a dangerously centralising measure – taking power away from elected

local authorities. We wish to go in the opposite direction, shifting power to the local neighbourhood – for example, by giving more power to parish councils.

Parliament

Parliament – alongside the Crown and our legal system – is one of the three key institutions that uphold our constitution. The supremacy of Parliament is fundamental to our democracy, and the guarantee of our freedoms. The last 17 years have seen many changes to strengthen Parliament and make it more effective – the flourishing of Select Committees, new procedures to scrutinise European legislation, reform of Parliament's working day, and a budget that brings together tax and spending. We have therefore already done much to improve the way Parliament works and will do more. We have accepted the proposal from the Public Service Select Committee and put before the House of Commons a clear new statement of the principles underlying ministerial accountability to Parliament. All these developments have made Parliament open to the citizen, and the government more accountable. In the next session of Parliament we will continue this careful reform.

To give Parliament more time to consider legislation thoroughly we will extend the Queen's Speech to cover not only legislation for the immediate year but also provisional plans for legislation in the year after that. This will mean that more draft bills will be subject to public scrutiny before they reach the floor of the House of Commons. It will give Select Committees more time to take evidence and report. And this should also mean better legislation. We do not believe there is a case for more radical reform that would undermine the House of Commons.

A new Bill of Rights, for example, would risk transferring power away from Parliament to legal courts – undermining the democratic supremacy of Parliament as representatives of the people. Whilst this may be a necessary check in other countries which depend upon more formalised written constitutions, we do not believe it is appropriate to the UK. Nor do we favour changes in the system of voting in parliamentary elections that would break the link between an individual Member of Parliament and his constituents. A system of proportional representation would be more likely to produce unstable, coalition governments that are unable to provide effective leadership – with crucial decisions being dependent on compromise deals hammered out behind closed doors. This is not the British way. We have demonstrated we are not against change where it is practical and beneficial. But fundamental changes which have not been fully thought through – such as Opposition proposals on the House of Lords – would be extremely damaging. We will oppose change for change's sake.

The Union

The Union between Scotland, Wales, Northern Ireland and England underpins our nation's stability. The Conservative commitment to the United Kingdom does not mean ignoring the distinctive individuality of the different nations. On the contrary, we have gone further in recognising that diversity than any previous government. We are publishing separate manifestos for Wales and Scotland. While preserving the role of parliament at the centre of the Union, we have given new powers to the Scottish Grand Committee and Welsh Grand Committee

– enabling Scottish and Welsh MPs to call Ministers to account and debate legislation which affects those countries – something that would be impossible with separate Assemblies.

For the first time, Welsh Members of Parliament can ask their questions to Ministers in Welsh in Wales. Most recently we have similarly extended the basic powers of the Northern Ireland Grand Committee. We believe this is the right way to go. By contrast, the development of new assemblies in Scotland and Wales would create strains which could well pull apart the Union. That would create a new layer of government, which would be hungry for power. It would risk rivalry and conflict between these parliaments or assemblies and the Parliament at Westminster. And it would raise serious questions about whether the representation of Scottish and Welsh MPs at Westminster – and their role in matters affecting English affairs – could remain unchanged. Nor do we believe it would be in the interests of the Scottish or Welsh people. A Scottish tax-raising parliament, for example, could well affect the choice of where new investment locates in the United Kingdom.

In a world where people want security, nothing would be more dangerous than to unravel a constitution that binds our nation together and the institutions that bring us stability. We will continue to fight for the strength and diversity that benefit all of us as a proud union of nations.

Northern Ireland

While we cherish the Union and Northern Ireland's place within it, we recognise that there exist within the Province special circumstances which require further action to be taken. After a quarter of a century we wish to see the unique and originally temporary system of direct rule ended and a successful restoration of local accountable democracy achieved. We want to see this brought about in a form which carries the broadest agreement possible. And we want to see the rights, traditions and interests of all parts of the community recognised within any such agreement. We will accordingly continue to pursue a policy of dialogue and negotiation with and between the democratic Northern Ireland parties. We will continue to underpin such negotiations with the guarantee that the constitutional position of Northern Ireland cannot and will not be changed without the broad consent of the people of Northern Ireland. At the same time we will continue to take whatever security measures are required to protect the people of Northern Ireland from those who seek to achieve their political goals by violent means. We seek peace. But we will never be swayed by terrorist violence nor will we ever compromise our principles with those who seek to overthrow the rule of law by force.

A choice of two futures

At this election the British people face a stark choice. A choice of two futures. They can elect to continue down the road of success and achievement. An opportunity that has been hard won by the efforts and sacrifices of the British people. An opportunity that has only come about because successive Conservative governments have been determined to face up to the long-term problems facing Britain, and take the tough steps needed to arrest our slow decline. Or they can elect to take a huge risk with that future – the future of themselves, their children,

their nation – by handing over the government of the country to politicians who have fought, opposed and denigrated every step that has been taken to restore Britain's economic health and standing in the world.

Politicians whose own declared policies would burden the United Kingdom with new spending and taxation, new regulations, and new threats to the stability and sovereignty of the nation itself. You can only be sure with the Conservatives.

Our vision for Britain: 25 pledges for the nation

The Enterprise Centre of Europe

- TAX AND SPENDING. Keep tight control of public spending priorities, aiming for our target of a 20p basic rate of income tax over the next Parliament.
- PRICES AND MORTGAGES. Stick to the policies which have delivered the lowest inflation levels and mortgage rates for a generation, meeting our inflation target of 2.5% or less.
- JOBS. Protect jobs by keeping Britain out of the European Social Chapter; build on our record of falling unemployment; and help get the long-term unemployed back to work including by requiring those on benefit for some time to undertake work experience on a community project.
- ENTERPRISE. Support growth and investment by keeping Britain the lowest tax major economy in Europe, pursuing Britain's global trade opportunities and curbing unnecessary regulations.
- SMALL BUSINESS. Reform business rates to help small businesses.
- THE FUTURE. Keep Britain ahead in the technology of the future, encouraging new entertainment and information services, and using the Millennium Lottery Fund to give people access to new computers and information links in schools, libraries, and other public places.

Opportunity and ownership for individuals and families

- HELP FOR FAMILIES. Give priority to reducing tax bills for families looking after dependent children or relatives by allowing one partner's unused personal allowance to be transferred to a working spouse where they have these responsibilities.
- HELP FOR CARERS. Help family members with heavy responsibilities caring for a relative to take a much needed break through a new Respite Care Programme.
- OWNERSHIP. Encourage schemes that help employees build a shareholding in the company they work for, alongside tax benefits for other savings schemes.
- PENSIONS. Transform pensions by providing all young people entering the workforce with a personal pension fund paid for by a rebate on their National Insurance contributions, while maintaining a state pension guarantee.
- CARE IN OLD AGE. Make it easier for people to afford the cost of care in old age without giving up their house and savings.
- SCHOOL STANDARDS. Guarantee school standards by intervening directly to raise standards where schools or local education authorities are letting children down.
- SCHOOL CHOICE. Widen choice and diversity in schools, with more freedom for schools

to develop their own character, more specialist schools, and a grammar school in every town where parents want that choice. We will also maintain our nursery voucher scheme offering a choice of places for parents of all 4 year olds.

World class health and public services

- NHS FUNDING PLEDGE. Continue, year by year, to increase the real resources committed to the NHS, so NHS spending will continue to share in a growing economy.
- FAMILY DOCTORS. Enable all family doctors to provide a wider range of services in their surgeries and in practice-based cottage hospitals offering faster and more local treatment
- CITIZEN'S CHARTER. Continue to improve the standards and value for money of Britain's
 public services, giving those who use them more information and, where possible, wider
 choice.
- ESSENTIAL SERVICES. Introduce measures to protect the public against strikes that cause excessive disruption to essential services.

A safe and civil society

- PUBLIC SAFETY. Support local police schemes to crack down on petty crime, and continue
 our funding for the installation of TV security cameras in town centres and public places
 that want them throughout the next Parliament.
- JUVENILE CRIME. Give the courts power to impose speedy sanctions on youngsters, including an element of reparation to the victim; and continue our war against drugs.
- PERSISTENT CRIMINALS. Ensure persistent house burglars and dealers in hard drugs receive mandatory minimum prison sentences.

A confident, united and sovereign nation

- QUALITY OF LIFE. Continue the renaissance of our towns and cities, in particular
 harnessing private capital to regenerate the worst public housing estates; continue to
 protect our countryside and heritage; and use the National Lottery to help promote
 British sports, arts and culture.
- THE ENVIRONMENT. Maintain our international leadership role in protecting the environment, and continue improving air and water quality at home alongside effective conservation of our wildlife.
- THE NATION. Maintain the unity of the United Kingdom and preserve the stability of the Nation through an evolutionary rather than revolutionary approach to constitutional change.
- EUROPE. Seek a partnership of nation states in Europe, and not allow Britain to be part of a federal European state.
- THE POUND. Guarantee that Britain will not join a single currency in the next parliament unless the British people give their express approval in a referendum.