

THE BEST FUTURE FOR BRITAIN

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THE CONSERVATIVE MANIFESTO 1992

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FOREWORD

At the end of this Parliament a new Millennium will be in view. We must raise our sights high. This Manifesto is about making our country respected and secure, and helping you achieve a better, safer and more prosperous future. For I believe - strongly - that you, and not the Government, should be in charge of your life. That's what Conservatism stands for. That principle underlies all the policies in this Manifesto.

I believe in a responsible society. Government's duties are clear: to protect Britain in a dangerous world; to look after those who cannot look after themselves; to protect law-abiding people from crime and disorder; and to protect the value of our currency - without which all spending pledges are worthless and all savings at risk.

But I believe also in a society in which government doesn't try to take responsibility away from people. Politicians must never make the mistake of thinking the state always knows best, or that it is entitled to the lion's share of people's money. I believe in low taxes not just because they ignite enterprise - the spark of economic growth - but because they put power and choice where it belongs: in your hands.

So when you compare what the politicians are saying in this election, ask yourself these questions. Whom do you trust to take responsibility for Britain's defence; to keep us safe and strengthen our influence for good? And who, at the same time, wants to give you the opportunity to do your best for yourself and your family?

Who will give you the power to choose - to say for yourself what you want? And who will give you the personal prosperity that comes from low taxes - from your own savings, your own pension, your own home? Who will let you build up your own stake in Britain's success - and pass it on to your children?

Only Conservatives can truly claim to be the party of opportunity; choice; ownership and responsibility. Socialists like to keep people under the government's thumb. Conservatives want to give them independence. But we also want to put government at your service, giving you what you've paid for - good public services, responsible to you.

I do not believe the answer to every problem is simply for government to dig deeper in your pocket. I believe it often lies in changing the way government works; in making it respond to you. Government should look outwards. It should listen. It should put you in the know, not keep you in the dark.

We have made quite a start, under the seal of the Citizen's Charter. People in schools, hospitals, public offices of all kinds are rising to the challenge. I knew

they would. They just needed encouragement, incentive and a system that is outward-looking too.

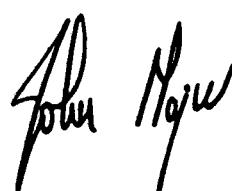
It is all part of a revolution in quality in Britain. British goods are once more winning in the toughest markets abroad. There is new vigour in the businesses liberated from state ownership; better management and better industrial relations. These are the firm foundations of economic recovery.

We are raising the quality of our education and training. We are raising the standard of our housing, as more people own and improve their own homes. We are concerned for the quality of our environment. And in government, we are leading a drive for quality throughout our public services.

That, I believe, is the way we all want to live - a decent life in a civilised community. That is the way we can live: celebrating our achievements, not nurturing old grudges; enjoying our successes, not talking Britain down. We can be free of old prejudices and class barriers. We can encourage diversity, not division; achievement, not antagonism. We can all make our own contribution to the success of the United Kingdom; and we must keep that kingdom united.

You know I believe in choice. And in this election, as always, there is another choice. You can vote for our opponents, and watch them take Britain back to the 1970s. Back to socialism. Back to strikes. Back to strife. Back to the world's pity, or worse still, contempt. I don't believe Britain wants that. I know the world doesn't want that for Britain.

I hope you will choose a different path - to go forward, not back; to go for the best, knowing that Britain can be the best and do it best. My belief is clear. Only the best is good enough for Britain.



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TAKING RESPONSIBILITY FOR BRITAIN

The world has been transformed in recent years. Communism has collapsed in Eastern Europe, and the Soviet Union has fallen apart. Everywhere Socialism is in retreat and democracy, human rights and market economics are advancing. The authority of the UN has been bolstered and Iraqi aggression seen off. Talks are under way in the Middle East and South Africa. It is a time of great opportunity, but also of new dangers.

Britain needs firm leadership at this time. We must be represented by a team of quality and experience. A team which can help shape the world for the next century. A Conservative team.

Under the Conservatives, Britain has regained her rightful influence in the world. We have stood up for the values our country has always represented. We have defended Britain's interests with vigour and with success.

The respect with which Britain is regarded in the world has rarely been higher. We play a central part in world affairs as a member of the European Community, NATO, the Commonwealth and the Group of 7 leading industrial countries, and as a Permanent Member of the UN Security Council. No other country holds all these positions.

We are taking a leading role in recasting all the main international institutions to which we belong: the United Nations, the European Community, NATO, and the Commonwealth. The Prime Minister convened the first ever meeting of the UN Security Council at Heads of Government level. Between now and the end of 1992 there will be seven Summits where issues of critical importance to our future will be determined: two EC Councils, at Lisbon and Edinburgh, the G7 Summit, the CSCE Summit, EC Summits with the US and Japan, and the Earth Summit at Rio de Janeiro. Britain will be at the centre of these negotiations.

THE NEED FOR LEADERSHIP

The end of the Cold War has enabled the UN to act with new unity and authority. Under the authority of the UN, British forces played a leading and courageous part in the Gulf War and the liberation of Kuwait. At the Prime Minister's instigation, the UN also backed the operation to protect the Kurds.

Britain has led the world in helping the reforms in the former Soviet Union. The Prime Minister gave full and immediate support to President Yeltsin in the August coup attempt, and was the first Western leader to visit Moscow after the coup failed. Britain has led the way in building up relations with the republics of the new Commonwealth of Independent States. We have provided valuable

economic and humanitarian aid to ease the transition to a market economy.

- We will support an enhanced role for the UN in peace-keeping and combating state-sponsored terrorism.
- We are determined that Iraq should comply with the terms of the Gulf War cease-fire agreement, and in particular that it should co-operate with the UN in dismantling its weapons of mass destruction.
- We support early Russian membership of the IMF and World Bank, as well as a stabilisation fund for the rouble.
- We are co-operating with our partners to provide urgent help to the former Soviet Union and Eastern Europe to upgrade the safety of their nuclear power stations.
- We strongly support the peace process in the Middle East. The outcome of the talks must safeguard the security of Israel and achieve self-determination for the people of the occupied territories.
- We will safeguard the prosperity of Hong Kong, nurture democratic institutions and work with the Chinese Government within the terms of the Joint Declaration.
- We seek a solution to the dispute which has divided Cyprus since 1974. A settlement must recognise that Cyprus is indivisible and that the rights of both communities must be assured. We will support the UN's efforts to secure a fair and lasting solution.
- The problems of Kashmir cannot be resolved by violence. We urge both India and Pakistan to address and resolve the issue, and we stand ready to help.



OUR INFLUENCE FOR GOOD

All over the world countries are turning to democracy and free markets. Last October in Harare, the Commonwealth took on a new role as a promoter of democracy, the rule of law, and respect for individual freedoms. Already the Commonwealth is monitoring elections to ensure that they are free and fair. Britain is taking the lead in encouraging these trends.

We give substantial aid to the relief of poverty and to help the struggling economies of the developing world. Our aid programme next year (excluding aid to Eastern Europe and the CIS) will reach £1,800 million. Britain also makes more direct private investment in the developing world than any other EC country - some £2,400 million in 1989. We are urging the international community to take decisive action on debt relief, the liberalisation of world trade and support for good government.

We continue to accept the long term UN target for aid of 0.7 per cent of GNP, although we cannot set a timetable for its achievement. The quality of Britain's overseas aid programme is second to none. It is well targeted and highly effective. Eighty per cent of our bilateral aid goes to the poorest countries. New aid to the poorest is given as grants, not loans.

We are supporting projects designed to build efficient institutions and accountable government. We are helping to improve public administration and the legal system in a number of countries.

The English language is one of our nation's greatest assets - culturally, politically and commercially. The BBC World Service has unrivalled standing around the globe. The British Council acts as a cultural ambassador for Britain and for the English language.

- We will use overseas aid to promote good government, sensible economic policies, the rooting out of corruption, and - crucially - respect for human rights and the rule of law.
- We will press creditor countries to accept the Prime Minister's proposal - the 'Trinidad Terms' - for a two-thirds reduction in the official debt of the poorest countries.
- We will promote the development of multi-party systems through the new Westminster Foundation for Democracy.

- We will promote the English language by strengthening both the British Council and the BBC World Service. We will encourage both to become more entrepreneurial in order to finance their activities in developing markets.



THE RISKS WE FACE NOW

The collapse of the old Soviet Union has dramatically vindicated Conservative defence policy. We have always put the security of our country first. We have kept the peace by staying strong.

Today the threat of a massive surprise attack from Eastern Europe has gone. But we still face grave risks to our security. We cannot drop our guard. Under the Conservatives, Britain will never do so.

Within the former Soviet Union there remains a huge military force. Democracy and the rule of law are yet to be firmly established. Control over these armed forces and the massive nuclear capability is uncertain. The events in Yugoslavia show what can happen when Communism collapses in disorder.

Increasingly, threats come from outside Europe - as we saw so clearly in the Gulf. Many more countries are acquiring large stocks of modern arms. Some are trying to obtain nuclear, biological and chemical weapons. Britain must be able to respond to any unexpected danger.

The Conservatives are the only party who recognise both the opportunities and the threats of the new world. For over forty years, our security has been based firmly on NATO, the most successful defensive alliance ever. We will work with our allies to ensure that NATO remains the cornerstone of our defence. Britain will command a new NATO Rapid Reaction Corps ready to deploy quickly to counter any sudden threat. As Europeans we must accept a greater role in safeguarding the peace in our continent.

We will promote arms control and reduction initiatives. On Britain's initiative, the UN is establishing a register of arms transfers in order to monitor any dangerous arsenals of weapons.

Britain has always been strongly opposed to nuclear proliferation. We will back an enhanced role for the International Atomic Energy Agency in inspecting nuclear sites and for the UN Security Council in acting against those nations which break their non-proliferation obligations.

- We will work to strengthen the Western European Union as the European pillar of NATO. We will press for a European reaction force.
- We will intensify the co-ordination of security policies within the Twelve.
- We will work through the CSCE to safeguard the security of Europe.
- We will support a comprehensive and verifiable ban on chemical weapons, and further controls on the export of items which could be used in making biological weapons.
- We will help Russia in her efforts to dismantle nuclear weapons.

OUR ARMED FORCES

Only the Conservatives can be trusted to maintain the quality and capability of our Armed Forces. We are proud of the skill, courage and professionalism which they displayed in the Gulf and which they show daily in Northern Ireland.

We are the only party unambiguously committed to the preservation and modernisation of our independent nuclear deterrent.

Our defence would be unsafe in the hands of the opposition parties. Labour have opposed our defence policies at every turn. They have twisted and turned in their attitude to our nuclear deterrent. They would devastate our conventional forces by cuts of at least 27 per cent, which would lead to huge job losses in the defence industries.

The Liberal Democrats would cause even more damage to Britain's defences. Their aim is to cut our defence spending by half by the end of the decade.

We insist that our forces have the modern, effective equipment that they need. The Gulf War showed that the Services must have the latest technology to give them maximum flexibility and mobility. That is why we have ordered the new Challenger II tank for the Army, the Merlin helicopter for the Navy, the ASRAAM air defence missile for the RAF and a wide range of other new equipment for our Forces.

Our reappraisal of Britain's defence needs will result in a major restructuring of our Armed Forces to take

account of the changing world situation. In future our Forces will be smaller, but better equipped. Our Services deserve the excellent pay and conditions which we have secured for them and will maintain.

- We will complete the deployment of the next generation of Britain's minimum nuclear deterrent. We will order and complete the fourth Trident submarine.
- We will ensure the Forces have the best and most modern equipment.
- We will improve the quality and management of service housing and help those in the Forces save towards buying a home of their own.
- The Reserves will play an even more important role and we will introduce legislation to allow their more flexible use.

THE EUROPEAN COMMUNITY

The Conservatives have been the party of Britain in Europe for 30 years. We have argued when argument was necessary; but we have not wavered nor changed our views. We have ensured that Britain is at the heart of Europe; a strong and respected partner.

We have played a decisive part in the development of the Community over the past decade. It was a British initiative which launched the Single Market programme and our insistence which reformed the Community's finances. Britain has promoted co-operation on foreign policy and in combating terrorism. Britain has also persuaded our partners to welcome new countries who apply for Community membership.

The Maastricht Treaty was a success both for Britain and for the rest of Europe. British proposals helped to shape the key provisions of the Treaty, including those strengthening the enforcement of Community law, defence, subsidiarity and law and order. But Britain refused to accept the damaging Social Chapter proposed by other Europeans, and it was excluded from the Maastricht treaty.

All Member States must live up to their obligations under Community law. At Maastricht, we secured agreement that the European Court will be able to fine any Member State which fails to do so.

- We will work closely with our partners in foreign policy and in the war on international crime.
- We will continue to resist changes to the Treaty of Rome that would damage British business.
- We will resist Commission initiatives which run counter to the principle that issues should be dealt with on a national basis wherever possible.
- Britain is a great trading nation. We prosper through the maintenance of an open trading system. We will work for a successful outcome to the GATT negotiations.
- We will redouble our efforts to reform the Common Agricultural Policy and will stoutly defend the interests of British farmers and consumers.
- We will insist on more effective control over Community spending and will resist pressure to extend Community competence to new areas.
- We will work to strengthen the external frontiers of the Community whilst maintaining the checks needed at our own borders against illegal immigration, drugs, terrorism and disease.



THE BRITISH PRESIDENCY

In the second half of 1992 Britain will take the Chair of the Council of Ministers. The British Presidency comes at a turning point in the Community's history. It gives us the opportunity to shape the direction of the Community and to establish its priorities. We shall use it to promote our vision of an outward looking Community based on free enterprise.

Our Presidency will reach its climax at the Edinburgh meeting of the European Council, which we will hold in the historic palace of Holyrood House. While the attention of Europe is focused on Edinburgh, the strength of our Union will be visible to all.

Our priorities will be:

- To start negotiations with those EFTA countries who want to join the Community so that they can join by 1995.
- To build on the EC's Association Agreements with Czechoslovakia, Hungary and Poland so that we can welcome them to full membership by the year 2000.
- To conclude EC trade and co-operation agreements with the main republics of the former Soviet Union.
- To complete the single market and extend it to the seven countries of EFTA. Over half our trade is with the rest of the Community. The single market will create an open market of 350 million customers for British goods and services. To complete the single market we shall aim to:
 - open up the market for life insurance to free competition;
 - liberalise air travel to bring down air fares in Europe closer to those in America;
 - free up the shipping and road transport markets so that British operators can carry freely within the EC;
 - increase competition in the European energy sector.
- We will provide guidance and help to any British company encountering a trade barrier illegal under European law.
- We will press for progress on the environment, including the Fifth Environment Action Programme.
- We will chair the negotiations on the future spending priorities of the Community to ensure value for money. We will safeguard the abatement negotiated by Mrs Thatcher which has so far brought some £12,000 million in budget rebates to Britain.

WEALTH AND OWNERSHIP

The 1990s present a great economic opportunity for Britain. We have got the scourge of inflation under control. We have cut direct tax rates. And a stable currency gives industry a chance to realise the potential released by the reforms of the 1980s.

We have extended ownership more widely - of homes, savings and shares - with millions more sharing directly in Britain's success. We will promote enterprise through low taxes, sound money and a stable currency.

When the Exchange Rate Mechanism was being created, during the final days of the last Labour Government, the then Prime Minister decided Britain could not take part.

It was easy to see why. The economy was too weak. Inflation was too high. In 1974-79, the inflation rate averaged over 15 per cent. It peaked at 27 per cent. Public borrowing rose to nearly 10 per cent of national income - equivalent to £55,000 million today. Penal taxes blunted enterprise. Britain was a byword for strikes.

The Conservatives have changed all that. Since 1979, our inflation rate has averaged $7\frac{1}{2}$ per cent. Now it is only just over 4 per cent - below the average for the European Community. In the 1960s and 1970s, Britain had the slowest growth rate in the European Community. But in the 1980s, we grew faster than either France or Germany. Industrial disputes became rare events. And in 1990, a Conservative Government joined the ERM.

Penal taxes have been abolished. A man on average earnings, with a wife and two children, has an income today which after tax and inflation is 39 per cent higher than it was in Labour's last year. That great advance in the standard of living is at risk in this election.

Since the war, living standards have always risen faster under Conservative Governments than under Labour. Now we are pledged to cut tax rates again - and have made a start on the road to 20p Income Tax.

Corporate tax rates have been cut, too. Our business investment has increased more rapidly than in any other major economy except Japan. Britain attracts by far the biggest share of Japanese and American investment in Europe. That, too, is at risk in this election.

BRITAIN'S OPPORTUNITY

We are now members of:

- The biggest free market in the world. British industry is again respected in Europe.
- A zone of low inflation, in which we can compete with the best.

Britain must not throw this opportunity away by electing a Labour government. The world recession has been tough for all of us, at home and abroad. Unemployment has risen. But in Britain we have laid the foundations for recovery. What is needed to trigger confidence and growth is a Conservative victory with a decisive majority. What would postpone recovery, and turn this promise of growth into the certainty of hard times, is the election of our opponents whose policies would mean higher taxes, higher inflation, higher interest rates, more bureaucratic regulation and more strikes.

In the 1990s, the Government's task will be to provide an economic environment which encourages enterprise - the mainspring of prosperity. Our aims must be:

- To achieve price stability.
- To keep firm control over public spending.
- To continue to reduce taxes as fast as we prudently can.
- To make sure that market mechanisms and incentives are allowed to do their job.

Price stability does not mean a frozen economy in which no price ever moves. But we must drive inflation down so low that it no longer affects the decisions made by ordinary people, businesses and government.

When inflation rises, so do bankruptcies. When inflation falls, industry can plan again for a profitable future. Inflation creates strife, as different groups in society struggle to restore their living standards. It destroys jobs. It erodes savings and social benefits and threatens our currency.

INFLATION AND EUROPE

Membership of the ERM is now central to our counter-inflation discipline. But the ERM is not a magic wand. It would not protect Labour; it would merely expose the folly of Labour policies. Some Labour politicians know that all too well - others simply don't. They - and some of the unions - would put irresistible spending pressure on a Labour government.

Some members of the European Community are anxious to hurry on from the ERM to Economic and Monetary Union. Others have doubts. Quite apart from the constitutional issues, they do not want to take risks with what is being achieved in the ERM.

The Treaty negotiated at Maastricht laid down the process under which the Community can, if its members meet certain economic conditions, create a monetary union with a single currency for some or all of them. Together with Germany, we fought for tough criteria. We believe a monetary union would collapse, with damaging consequences, if it were imposed on economies that were too diverse.

A union will only come about by 1997 if a substantial majority of Community members agree it should. It would only include those members who were judged to have met specified conditions. And it would only come about if a majority of members were judged to have done so.

But the Treaty goes on to say that monetary union will come about automatically in 1999, for all who meet the conditions. We did not want to exclude ourselves from membership; but we could not accept such an automatic commitment. By the end of this decade the EC's membership will have changed; the economic performance of many of its members may have changed. We cannot tell who the members of such a union might be.

We therefore secured the freedom to make a proper judgement on events. We are as free to join if we wish as any other member. We would have to meet the

same conditions - no more, no less. We will play our full part in the discussions of the monetary institutions Europe may create in the 1990s. But we are not obliged to join in a single currency if we do not want to.

- In due course, we will move to the narrow bands of the ERM.
- We will play our full part in the design and discussion of monetary institutions for Europe.
- When or if other members of the EC move to a monetary union with a single currency, we will take our own unfettered decision on whether to join. That decision will be taken by the United Kingdom Parliament.

THE ROUTE TO LOWER TAXES

Economic growth is created by people's hard work, ingenuity, thrift and willingness to take risks. An enterprise economy rewards the industrious and thrifty. We believe that government should not gobble up all the proceeds of growth, and that those who create prosperity should enjoy it, through lower taxes and more opportunity to build up personal wealth.

Our policy is therefore to reduce the share of national income taken by the public sector. In the mid-1970s, public spending peaked at over 49 per cent of our gross national product. In the early 1980s, it peaked at over 47 per cent. In this recession, it is peaking at only 43 per cent. We aim to reduce this steadily as the recovery gets under way.

Keeping control of public spending will enable us to cut taxes while bringing the Government's Budget back towards balance in the years ahead. Excessive government borrowing can lead to inflation. Government should always be on guard against that danger. However, when demand in the economy is weak, public borrowing will tend to rise.

Because companies pay taxes according to how well they did the previous year, the deficit tends to be deepest just as we come out of recession. We must make sure that as the economy grows, borrowing slows.

By bringing tax and spending decisions together in a unified Budget from next year, we will make the choices clearer. But lower taxes and a prudent approach to borrowing do not mean public spending must fall; quite the reverse. A lightly-taxed economy generates more economic growth, and more revenue. High taxes kill the goose that lays the golden eggs. In the course of its last five years in office, Labour was forced to cut public spending, in real terms. By contrast, the Conservatives have been able to raise public spending by nearly a quarter in real terms.

Higher tax rates do not always bring in more money. In practice, they can bring in less. The Conservative Government has more than halved the top rate of tax. Yet top rate taxpayers today provide a bigger share of our tax revenues than they did before. Lower taxes have encouraged more people to work harder - not to spend their time working out how to avoid penal taxes.

During the past 13 years we have cut, simplified or abolished a whole range of direct taxes.

- We have cut the basic rate of Income Tax from 33p to 25p, and the top rate from 83p to 40p.
- We have now announced a new starting Income Tax rate of 20p.
- We have raised the basic single person's tax allowance by 27 per cent more than would be needed to keep pace with inflation.
- We have simplified and reduced the burden of taxation on capital.
- We have cut Corporation Tax from 52 per cent to 33 per cent (and from 42 per cent to 25 per cent for small companies).
- We have reduced the burden of National Insurance on low earners.
- We have introduced independent taxation of husbands and wives, giving married women full eligibility for tax allowances.
- We have introduced new tax incentives for savings.
- We have abolished several taxes completely, including the surcharge on income from savings, the National Insurance Surcharge, Development Land Tax, and Capital Transfer Tax.

We are the only party that understands the need for low taxation. Labour and the Liberals openly advocate increased taxation. Yet lower taxes clearly create a more productive economy. They also achieve another prime objective of Conservative Governments, which is to transfer power from the state to the people.

Labour would:

- Reverse our cut in the starting rate of Income Tax to 20p.
- Raise the top rate.
- Abolish the National Insurance ceiling.
- Introduce a new savings surcharge.

- We announced in the Budget an important first step towards a basic Income Tax rate of 20p. By applying a 20p rate to the first £2,000 of taxable income, we have cut taxes for all 25 million taxpayers, and taken the four million on lowest incomes out of 25p tax altogether.
- We will make further progress towards a basic Income Tax rate of 20p.
- We will reduce the share of national income taken by the public sector.
- We will see the budget return towards balance as the economy recovers.



THE RIGHT TO OWN

Since 1979, wealth has been spread more widely through the community. Home ownership, share ownership and the build-up of personal pensions have all contributed. Over two-thirds of people live in homes that they own, 10 million people own shares, 6 million of them in newly-privatised industries. About 2.5 million have benefited from tax incentives to encourage employee share schemes. And over 4½ million people are now building up their own personal pensions.

But these freedoms are at risk.

Labour would:

- Halt the privatisation programme and threaten the value of shares in privatised industries with renationalisation and new Government controls.

- Bring back credit rationing, leading to mortgage queues.
- Turn the pensions market on its head, making pension provision costly and difficult.

These changes would drive savings overseas and make wealth again the prerogative of the few.

By contrast, we want to do more to encourage the wider distribution of wealth throughout society. Sustaining not just a home-owning but a capital-owning democracy is crucial to our vision for the 1990s. We intend to spread the ownership of shares, homes, pensions and savings. We will do so through future privatisations, help for would-be home owners in council tenancies and further encouragement for the spread of personal pensions. We intend to lighten the burden of capital taxes and reform the taxation of savings.

We believe Inheritance Tax is particularly inequitable. It falls only on those who do not dispose of their assets seven years or more before their death. It is inevitably the case that these tend to be people who are not rich enough to engage in high-powered tax planning, or who, for lack of knowledge or advice, fail to take the necessary precautionary action. In the Budget, we announced that we would take most family businesses out of Inheritance Tax altogether. During the new Parliament, we will aim to lessen the burden on families to whom home ownership has brought the threat of this erratic tax.

- As detailed later in this Manifesto, we will aim to bring home ownership, share ownership and personal pensions within the reach of more families.
- We will continue to reform the taxation of savings, building on the success of PEPs and TESSAs.
- We will raise the tax threshold for Inheritance Tax so that the homes and savings of an increasing number of our citizens can pass unencumbered from one generation to another.
- Whenever possible, we will ensure that future privatisations offer opportunities to employees to secure a stake in the ownership of their business..

- We will encourage companies to make dealing in their own shares easier, especially for small shareholders, and encourage wider share ownership, through, for example, the establishment of 'Share Shops'.
- We will abolish Stamp Duty on share transactions.

SETTING THE ECONOMY FREE

Starting with the abolition of exchange controls in 1979, the Government has created new incentives for every part of our economy.

Manufacturing industry suffered particularly badly from the harm inflicted on the British economy by Labour Governments in the 1960s and 1970s. To a far greater extent than service industries, it was the victim of militant trades unionism, restrictive practices, nationalisation, state intervention, tax distortion, planning controls and over-regulation.

We believe strongly that a vigorous manufacturing sector is essential to a healthy British economy. Over the past 13 years, we have steadily dismantled barriers to its growth.

The competitiveness and performance of British manufacturing have been transformed. Its impressive recovery was recognised by the Confederation of British Industry, in its report aptly titled 'Competing with the World's Best'. Manufacturing productivity has risen by more than half since 1979 - faster than in any other major industrial country. Over the past 10 years, British manufactured exports have grown faster than those of France, Germany, the United States or even Japan.

The British motor industry has achieved an astonishing revival. By 1996, Britain should again be exporting more cars than we import - for the first time since 1974. We have given the industry yet more encouragement in the Budget, by halving the special tax paid on new cars.

The British Standard for Quality management has effectively become the international standard. But that is only the beginning. We have set up a team of senior business people to pursue the idea of a new British Quality Award.

The City is Europe's greatest financial centre. It contributes £11,000 million net to our balance of payments. Financial services employ 12 per cent of our workforce. London's capital markets and financial services have grown vigorously because they are innovative and highly competitive. We will continue our efforts to break down the barriers that prevent them from competing freely throughout Europe and in the wider world.

The European Bank for Reconstruction and Development is now based in London. It puts us in the forefront of encouraging investment in the developing markets of Central and Eastern Europe.

Service industries make a vital contribution to our economy and to our balance of payments. Tourism, for example, today employs 1.5 million people, 20% more than in 1980. It is an industry which boasts many famous companies - but it is also driven by the dynamism of many small firms. We will continue to help them by simplifying rules and regulations on business and through the DTI Enterprise Initiative and a range of other schemes.

- We will continue to reduce tax burdens on business, as we have done this year for the motor industry, whenever it is possible to do so.
- We will abolish unnecessary licences and reduce the need for specific approvals for product design.
- We will back British companies encountering any discrimination, trade barriers or state subsidies that should no longer exist within the Single Market.
- We will back the regulators of the financial services industry in their efforts to achieve high standards while keeping the rule books down to manageable size.

PRIVATISATION

Competition and private ownership are the most powerful engines of economic efficiency, innovation and choice. They lead to the creation of world-class companies.

We have returned to private enterprise two-thirds of the companies once owned by the state: 46 businesses employing about 900,000 people. This programme has been the model for governments across the whole world.

The work of liberalising markets which were once monopolised goes on. In 1984 we privatised British Telecom but only Mercury was given a licence to carry services over fixed links. In 1991 we decided to end this duopoly. The UK now has one of the most open and dynamic telecommunications markets in the world.

But much greater economic efficiency is not the only gain. Employees have been able to take a direct stake in the newly privatised companies. Millions of people have been given the same chance to own a real share in the nation's assets. Companies which looked inwards to Whitehall are now listening to their customers and shareholders.

Some activities of government must always be provided in the public sector. But in central government, Next Steps Agencies and local government, management is increasingly buying-in services from the private sector. Our proposals for developing this policy have been set out in the White Papers on 'Competing for Quality' in central and local government.

- We will continue our privatisation programme. British Coal will be returned to the private sector. So will local authority bus companies. We will encourage local authorities to sell their airports. We will end British Rail's monopoly. We will sell certain rail services and franchise others. These proposals are set out later in this Manifesto.

- The Ports Act 1991 has paved the way for the privatisation of the Trust Ports by competitive tender. Tees and Hartlepool, Tilbury, Medway, Forth and Clyde have already been privatised.

- We are privatising Northern Ireland Electricity and will privatise the Northern Ireland water and sewage services. We will look for ways of bringing private sector skills into the management of Northern Ireland Railways.
- We will bring private sector enterprise into the public services by encouraging contracting out and competitive tendering throughout government.
- We will require all government departments to report annually on their plans for market-testing, and progress in achieving it, in their own services and in those of their associated agencies.
- We will maintain our programme of compulsory competitive tendering of local authority services. We will ensure that unfair terms are excluded and will discourage investment to protect in-house services when better, more cost effective services are available through the private sector.
- We will ensure that competitive tendering is extended to white collar local authority services, such as those offered by lawyers, accountants, architects and surveyors.
- We will tackle all anti-competitive and restrictive practices with vigour. We will introduce new legislation giving stronger powers to deal with cartels.
- The compliance costs of new UK and EC regulations must be assessed properly. Existing regulations which are outmoded and burdensome must be simplified or removed. We will give priority to the work of the DTI Deregulation Unit in these areas.
- We will examine ways in which the uniform scope of regulation could be eased to safeguard traditional local products or practices.
- We will examine whether certain regulations affecting individual citizens within their own homes could be made advisory, rather than mandatory.

ENERGY

Our energy policies have brought the consumer both lower prices and better service. We have privatised British Gas and the electricity industry in a way that has opened these markets to competition. These policies are now being seized upon in Europe as essential extensions of the Single Market.

Domestic customers are now protected by a price formula, and high standards of service are enforced by the independent regulators. For instance, electricity disconnections for debt have fallen by 43 per cent since the launch of privatisation.

We have ensured that the safety of employees comes first, and have given thousands the opportunity of acquiring a stake in their industry.

The future of the coal industry depends crucially on the competitiveness of coal as a fuel for electricity generation. British Coal has made enormous progress in increasing productivity since the end of the 1985 strike - but there is still further to go. We will support the efforts of British Coal and its workforce to improve the industry's performance. The long term future of the industry lies in the private sector.

We have invested in clean coal technology to safeguard the environment. Renewable energy projects have received unprecedented support. North Sea oil and gas are enjoying a record expansion thanks to our policies of deregulation and low taxation.



DEREGULATION

We are concerned that at every level of government - in Europe, in Whitehall and in local authorities - some regulations may have been adopted in answer to legitimate concerns, but without proper regard to their overall impact on businesses and individuals. A proper balance needs to be struck between essential protection for the public, and over-zealous and intrusive controls aimed at the elimination of all conceivable risk. It is wrong that new regulations, designed to deal with isolated problems, should interfere with the private arrangements of citizens or with reasonable commercial practices that have earned broad public acceptance.

- Safety will remain our highest priority throughout the energy sector.
- We will continue to encourage competition in energy markets. We will progressively reduce British Gas' monopoly of the retail gas market, to give small users the same rights as big firms.
- We will privatise British Coal in a way that enables employees to enjoy a stake in the industry.
- We will increase our support for British Coal Enterprise which promotes economic regeneration in areas affected by the closure of mines, and has successfully assisted 76,000 people in finding new jobs.
- We will review the future of the nuclear industry in 1994. We are committed to safe and economical nuclear power. The existing strict arrangements for nuclear waste will be maintained.
- We will maintain a guaranteed market for renewable energy projects and fund research in this area.
- We will consult on new building regulations to improve energy use. Together with British Gas and some of the Regional Electricity Companies, we will establish an independent Energy Savings Trust to promote energy efficiency. Our grants scheme for low income households will receive record funding next year.



SCIENCE AND INNOVATION

British science has an unrivalled reputation for ground-breaking research. We believe in investing in scientific research because it enriches the quality of our lives and provides the feedstock of industrial innovation. The science budget has grown by 24 per cent in real terms since 1978-79. Increasingly, funding will reflect the quality of the research output so that the best centres can truly be world leaders.

The Government spends nearly £3,000 million a year on civil research and development - at least as high a

proportion of national income as the Japanese or Americans. And since 1978, British industry's spending on R&D has increased by 37 per cent in real terms.

- We will continue to support our science base to maintain the excellence of our science and to ensure that we produce the skilled technical people we need.
- We will encourage the transfer of people and technology from universities to businesses and upgrade the LINK scheme, which funds joint research.
- We will encourage the establishment of centres of technological excellence linking industrial research organisations with universities and polytechnics.
- We will continue to develop new innovation schemes for small and medium-sized businesses, including the highly-regarded SPUR programme to provide help with the development of new products and processes.



REGIONAL POLICIES

In recent years, the United Kingdom has attracted five times as much Japanese investment as Germany or France, which powerfully demonstrates that we have created the most attractive environment in Europe for investors. Our positive policy towards inward investment will be maintained, in contrast to that of the TUC and the Labour Party.

The Government will continue to invest in a strong infrastructure, and boost technology expertise in the regions.

We will ensure that regional policy is well targeted.

We will continue to support all parts of the United Kingdom in their campaigns to attract inward investment.

We will give additional emphasis to upgrading skills and technology when allocating funds.

SMALL BUSINESSES

Small businesses are the seedcorn of the economy. Their numbers have grown by more than a third since 1979, while the number of self-employed people has grown to over 12 per cent of the workforce. We will continue to recognise the special needs of small and medium-sized companies, and to ensure that Government delivers useful services to them.

Our tax regime for small businesses is one of the most favourable in Europe. We have raised the VAT threshold every year since 1979 and reduced the small companies rate of Corporation Tax from 42 per cent to 25 per cent.

Training and Enterprise Councils (and Local Enterprise Companies in Scotland) have developed a wide range of services for business and enterprise which assist over 150,000 small companies each year. We have developed the popular Enterprise Initiative, under which 40,000 companies have been helped to buy in outside expertise offering key management skills. We now propose to develop this initiative further.

We also propose to help businesses by easing the transfer of commercial tenancies.

- We announced in the Budget new measures to help small businesses, including full relief against Inheritance Tax on most business assets, reductions in business rates and proposals to speed up the payment of outstanding bills.
- During the new Parliament, we will develop a new Enterprise Service to give small and medium-sized companies help in diagnosing their most important strategic needs. A new Consultancy Brokerage Service will supply information to small companies. We will also develop a Technology Audit which will provide small firms with a plan for change. And we will continue to support Total Quality Management consultancies.
- TECs and LECs will be closely involved in developing and implementing this new initiative.

- The independent Law Commission has recommended that a commercial tenant should in general be freed from any future liability under a lease when he assigns away his interest under it. We will consider how this principle could be put into effect for new commercial leases.

CONSUMER AFFAIRS

Consumers want choice, quality and value for money. Competition only works effectively if consumers have the information they need to make sensible decisions.

Our food safety policy promotes consumer choice and consumer safety. We introduced the 1990 Food Safety Act to ensure the highest standards of food hygiene.

- We will introduce legislation designed to give consumers confidence that what they purchase is properly described - and that adequate compensation is offered where these requirements are not met.
- We will enable the courts to override unfair terms in contracts and improve our powers to deal with rogue traders.
- We will ensure that guarantees mean what they say, and that manufacturers or importers share responsibility with the people who sell their goods.
- We will tighten up the rules on holiday brochures and contracts, and introduce a 'cooling-off' period into timeshare contracts.
- We will introduce legislation to simplify trade mark registration and extend the rights they confer.
- We will enforce science-based controls on the use of chemicals in food production, and will maintain our policy of open access to information on pesticide safety.
- We will improve standards of food labelling in close consultation with consumer representatives.

CHOICE AND THE CHARTER

The Citizen's Charter is the most far-reaching programme ever devised to improve quality in public services. It addresses the needs of those who use public services, extends people's rights, requires services to set clear standards - and to tell the public how far those standards are met.

The Citizen's Charter:

- widens popular choice;
- helps people to exercise that choice in a properly informed way;
- expects all public services to put the customer first;
- promotes the challenge of competition within the public sector;
- requires clear performance standards to be set and for services to be measured against them;
- insists on a proper response to complaints and on action to set right the problems behind them.

The Charter will be at the centre of government's decision-making throughout the 1990s. No one doubts the professionalism of the vast majority of public servants. But too often the system's outdated working methods and attitudes prevent them from giving their best. The Charter's commitment to modern, open services will help them to win the respect that good service deserves.

In less than a year since the White Paper, 18 detailed Charters have been published. Each sets out tough new standards and gives new information and rights to the public. Each will be revised regularly to check on progress, and raise standards higher. But, already, results are clear.

- In hospitals, from April, every out-patient will have a fixed appointment time and our guarantee of maximum waiting times for operations will be steadily improved.
- On council estates every tenant will have the right to call in a private contractor if the council fails to do a minor repair.
- In schools, all parents will have the right to a report on their child's performance and details on that of the school.

Rights such as these should not have been denied to the public. The Citizen's Charter, steadily but surely, is changing all that.



KNOWLEDGE, STANDARDS, CHOICE

The next Conservative Government will carry the Charter still further. There will be more information about standards and performance; clear standards set within public services which are still shrouded in mystery; more choice built into public services and proper complaints procedures introduced. Many of these are outlined later in the Manifesto under Education, Health, Local Government and Transport. Here are a few examples from the programme for the next two years:

- The Audit Commission will be able to publish league tables of performance including each local council and health authority so that people can compare the quality of service.
- We will ensure that inspection reports are published and widely available. All councils will have to respond in public to criticism from auditors.
- We will introduce a new 'Charterline' that people with questions or problems with a public service will be able to ring.
- We will require British Rail to tighten its targets for reliability and punctuality on all lines, and report monthly to passengers on how it is doing. London Underground will publish its own Charter.
- We will expect Post Offices and Job Centres to set out standards of service and levels of achievement.
- A new Charter Mark award will give recognition to those parts of the public service that best meet Charter standards.
- British Rail and London Underground are introducing compensation systems for travellers.
- We will review the powers of the Local Government Ombudsman to ensure that findings of maladministration are properly dealt with by all local authorities.

- We will consult on a new Lay Adjudicators scheme to help the public resolve difficulties and disputes.

We will extend competition and accountability in public services. Those who provide public services will have to prove they can give the right quality at the right cost.

- We will extend compulsory competitive tendering to local authority housing management, and examine how to apply it to white-collar services.
- We will act to ensure that private firms bidding to improve local authority public services are not obstructed by unscrupulous practices in councils or by unfair contracts.
- We will pursue more competitive tendering for central government services.
- We will encourage the wider use of performance pay inside the Civil Service and in other parts of the public service. A link between a person's effort and his or her pay is a powerful means of improving performance.
- Civil servants dealing with the public will normally identify themselves by name.
- We will toughen inspection of key public services where choice and competition must inevitably be limited. We will introduce, for the first time, regular independent inspection of all schools.
- We will act to ensure that the inspectorates of police, fire, probation, and social services, together with any new inspectorates that are established, will be truly independent of the service which they inspect.
- We will ensure that the reports from these systematic regular inspections are published. More lay inspectors, drawn from other professions and from the general public, will bring fresh insights into service improvement.

- We will publish later this year new proposals for the inspection of social work in England, setting up arrangements for systematic independent inspection of all care services and every local authority social services department.

- Inspections of local authority homes will be carried out by teams that contain lay inspectors and are independent of the influence of the management of the homes.

All of the privatised utilities have a specialist regulator who is responsible for promoting competition, reviewing prices and protecting the public interest. We have introduced legislation to increase the powers of these regulators to the level of the strongest.

- We are ensuring that the regulators have the powers they need to promote competition and safeguard the interests of the customer by controlling price increases. We will increase competition in the gas and water markets.
- We are giving the regulators powers to set standards of service, covering such matters as fixed appointment times for service calls.



THE POST OFFICE

The Post Office is among the best in Europe for speed and reliability of its letter services. Traffic has grown by 50 per cent in a decade in which it has operated without a subsidy. Last year the first-class letter service achieved record improvements in reliability. The local post office is a vital and valued feature of the rural community.

In 1981 we introduced private competition for deliveries costing over £1. This led to the rapid growth of the private courier industry, with substantial benefits to business users. We believe that further benefits to consumers would flow from additional competition.

- We are committed to maintaining a nation-wide letter service with delivery to every address in the United Kingdom, within a uniform structure of prices, and with a nation-wide network of post offices.
- We will legislate to set up a new independent regulator to advise on issues affecting Post Office customers, and on the progressive introduction of competition.
- We will set performance targets for the Post Office and ensure they are published in all offices, together with results achieved.
- We will ensure there is effective redress for customers where services fail.
- We will lower the limit on the Post Office monopoly much closer to the level of the first class stamp.
- We will provide improved scope for contractors to carry mail to final delivery offices.
- We will consider requests to license limited specialist services to compete within the Post Office monopoly.



WHITEHALL & WESTMINSTER

Whitehall must move with the times. It is over a decade since the last major restructuring of the departments of government. Since then:

- Two-thirds of the state industrial sector has been privatised, transferring about 900,000 jobs to the private sector.
- Government has reduced the burden of regulation and the need for central bureaucracy.
- Civil Service manpower has been reduced by almost a quarter.
- Many of the functions of government have been devolved from Whitehall.
- The Citizen's Charter programme is bringing new quality to public services.

We will continue to reorganise central government in tune with its modern role, while devolving and

contracting-out executive functions. We want to ensure that the drive to save money, to reduce bureaucracy and raise quality is powerfully led from the centre of government.

- We will give a Cabinet Minister responsibility for the Citizen's Charter programme and reforming the Civil Service, taking charge of the Citizen's Charter Unit, Efficiency Unit, the programme for creating Agencies and the Public Competition and Purchasing Unit. This will make it easier to raise quality and efficiency in government and see that contracting-out and market-testing are energetically pursued.
- We intend to create a new department, under a Cabinet Minister, with responsibility for broadcasting, arts, sport, tourism, the national heritage and the film industry. This department will aim to encourage private sector enterprise in all these fields. The National Lottery and the Millennium Fund (detailed later in this Manifesto) will also bring new responsibilities to government in these areas.
- We will transfer the core responsibilities of the Department of Energy to the Department of Trade and Industry and responsibilities for energy efficiency to the Department of the Environment, ending the need for a separate department.
- Small businesses are the seedcorn of our future prosperity. We believe the Department of Trade and Industry should take over responsibility for them. We also want to strengthen the links between the DTI and the highly successful Training and Enterprise Councils.
- Responsibility for overseeing all financial services will be brought together in the Treasury, in line with the practice adopted in most other advanced countries.

- New programmes for regenerating our inner cities are outlined in this Manifesto. Responsibilities will be brought together in the Department of the Environment.
- We are determined to ensure that women in the work-force realise their full potential. We will transfer from the Home Office to the Department of Employment the lead responsibility for co-ordinating government policy on issues of particular concern to women.



OPEN GOVERNMENT

Government has traditionally been far too reluctant to provide information. This secrecy extends from the processes of Cabinet Government to schools which refuse to release exam results. Under the Citizen's Charter, a great deal more information is now being made available on the services provided by government.

We have also:

- replaced the catch-all provisions of the 1911 Official Secrets Act with narrower offences depending on specific tests of the harm likely to be caused by disclosure, while giving special protection to vital information relating to our national security;
- introduced rights to check certain personal records held on computer, and supported new rights of access to a range of government records;
- committed ourselves to a public right of access to information about the environment, including water supply, air quality, dumping at sea and radioactive substances;
- made available more reports on matters of public concern such as food safety and industrial risks.

We intend to carry forward this move towards greater openness.

- We will review the 80 or so statutory restrictions which exist on the disclosure of information - retaining only those needed to protect privacy and essential confidentiality.
- We will seek to provide greater access to personal records held by government.
- We will be less secretive about the workings of government. For example, when the Committees of the Cabinet are reconstituted after the election we will, for the first time, set out their names and membership. We will update and - for the first time - publish the guidance for Ministers on procedure.



THE WORKINGS OF PARLIAMENT

It is not just Whitehall that must change. Parliament, too, has to keep its working methods under review to make sure it attracts the best people to the service of their country and uses their talents to best effect.

- We will propose appropriate Parliamentary reforms to ensure that the House of Commons conducts its business more efficiently and effectively, taking into account the benefits of modern technology, the increasing constituency demands upon Members of Parliament and the need to attract more women to stand for election.

OPPORTUNITY FOR ALL

Conservatives believe that high standards in education and training are the key to personal opportunity and national success. We believe in partnership with parents, choice in schools and a good grounding in the basic skills all children need to make a success of their lives. We are committed to widening opportunities without compromising academic standards. We will continue to expand higher education and training. We will reinforce the rights of the individual in the world of work, and break down artificial barriers to advancement. By extending opportunity and arming people with the power to choose, we will give valuable freedoms and a powerful spur to achievement.



SCHOOLS, PUPILS & PARENTS

We are now seeing real improvements in our education system. One in four young people goes on to higher education; at the beginning of the 1980s, it was only one in eight. Sixty per cent of 16 year-olds stay on in full-time education, up from only 40 per cent in 1979. And we have embarked on the most important and wide-ranging reforms since the 1940s.

For the first time in our history, we will soon have a National Curriculum which will require all the main school subjects to be covered thoroughly. The testing of 7 year-olds is well under way and tests for older children are now being developed. Starting this September, GCSE courses will be steadily integrated with the National Curriculum.

Under the Parent's Charter, all schools will have to provide at least one written report on the progress of each child each year. Information on the performance of all local schools will be given to parents, enabling them to exercise choice more effectively.

We believe all parents have the right to choice in education - not only those who can afford school fees. Young people differ in their interests and aptitudes, and we need a range of schools to offer them the best opportunities. We have always fought to maintain diversity in education, protecting the right of local people to preserve their grammar schools, and defending independent schools against mindless Labour attacks. And we have always valued the important contribution made by the churches to our children's education.

We have further increased diversity by:

- Giving schools control over their own budgets and encouraging new types of school.
- Allowing schools to become independent of local councils, by applying for Grant-Maintained status if the parents involved so wish. By mid-1992, over 200 GM schools will be up and running.

- Creating a number of highly popular City Technology Colleges.
- Launching the highly successful initiative under which schools are able to bid directly for the resources to become Technology Schools.

We intend to take all these initiatives further and offer parents more choice in the new Parliament. Popular schools will be allowed to expand, and more schools will be able to apply for technology funding. We will make it easier for small schools to enjoy the benefits of GM status by grouping together.

- We will complete the introduction of the National Curriculum offering 10 subjects at a nationally-defined standard - English, Mathematics, Science, History, Geography, Technology, Art, Music, PE and, in secondary schools, a foreign language.
- Regular and straightforward tests will be in place for all 7, 11 and 14 year-olds by 1994.
- GCSE at age 16 will be integrated into the National Curriculum, with a new A+ grade to test the most able. The majority of marks will come from a written exam.
- We will continue to encourage the creation of nursery places. For the first time, over 50 per cent of three and four-year olds have places either in nursery or primary schools.
- Full information will be published annually about the performance of all local schools in each area.
- Independent inspection of schools will provide parents with straightforward reports on their child's school, together with an action plan from governors to remedy any weaknesses.

- Popular schools which are oversubscribed will be given the resources to expand.
- GM schools will be able to change their character if that is what parents clearly want and the change fits in with the wider needs of the local area.
- The Technology Schools Initiative will be expanded across the country.
- Existing schools which opt for GM status will be able to emulate City Technology Colleges and attract private technology sponsorship.
- We will maintain the Assisted Places scheme, which gives access to independent education to many families who could not otherwise afford it.
- We will ensure that the partnership between the state and the churches in education is maintained and strengthened.
- We will enable small schools to apply for GM status in groups.
- We will pay particular attention to raising educational standards in areas of deprivation in our cities.

TEACHING

We are determined to reinforce the professionalism of teachers and the esteem in which they are held. We have created an independent Teachers' Pay Review Body. We accepted in full its first recommendations; nearly half of all teachers are now earning over £20,000 a year. We will press ahead with regular appraisal of teachers to encourage high standards and develop professional skills.

As a first step in the reform of teacher training, postgraduate students will spend much more time in school classrooms, learning their skills under the practised eye of senior teachers.

It is vital that the education system should attract back women who have taken a career break to raise a family. Through grants to local authorities, we are financing schemes to introduce more flexible working practices - such as job-sharing.

- We will undertake reform of the teacher training system to make it more effective in developing classroom skills.
- We will develop measures to encourage women with family responsibilities to enter or return to teaching.

AFTER 16

We believe that young people should be free to choose between college, work-based training and sixth form studies. We are giving further education colleges and sixth form colleges in England and Wales autonomy, free from council control. We also value our school sixth forms, and will ensure they retain their place in the new system. And we will allow them to attract older students as well. FE colleges will continue to receive support for adult education, while local authorities will retain the resources to respond to local demand for leisure courses.

We will defend the well-respected A-level examinations, which Labour would destroy. We will continue to encourage participation in AS examinations. We will also continue to develop new high-quality National Vocational Qualifications, and introduce a new post-16 diploma which recognises achievement in both vocational and academic courses.

- We will develop an Advanced Diploma which can be earned by students pursuing either academic or vocational courses, and a new General National Vocational Qualification.
- We intend to allow school sixth forms to open their doors if they wish to older students, and to accept training credits or fees from them.
- From April next year, further education and sixth form colleges will be independent of local government control.
- Mature students will enjoy a wider choice of courses.



HIGHER EDUCATION

Britain maintains the best university system in Europe. We have also developed a thriving network of polytechnics, whose student numbers have increased nearly sixfold since the end of the 1960s.

By the year 2000, one in three young people will follow full-time higher education courses. Meanwhile, the number of mature entrants to higher education has risen by 65 per cent since 1979. And our universities are attracting increasing numbers of foreign students.

Despite this huge expansion, our students enjoy one of the most generous support systems in the world. The introduction of student loans has given students 30 per cent more money for their living costs than the former system of grants alone. The new system will steadily reduce the proportion of students' living costs that their parents are expected to meet.

- We will continue to expand the number of students in higher education. We are abolishing the artificial 'binary line' between universities and polytechnics.
- We are putting in place new mechanisms to ensure that academic standards are maintained in higher education.
- We will continue to provide generous support for students and to expand our student loans commitment.



THE TRAINING REVOLUTION

A training revolution is under way in Britain. The Government's job is to create a framework within which men and women of all ages can develop skills, gain qualifications and shape their own futures.

We have already brought the world of work and the world of school into closer harmony. Government and industry are working together. Employers already spend over £20,000 million a year on training. Government spending on training has increased $2\frac{1}{2}$ times in real terms since 1979, to £2,800 million. The Government's effort is being channelled through the 82 new Training and Enterprise Councils (and the Local Enterprise Companies in Scotland) - the most significant peace-time partnership between government and industry this century.

- 'Compacts' have resulted in many young people working to goals for attainment and attendance in school. In return, they are guaranteed a job with training - or training leading to a job.
- This year, two million students will participate in the Technical and Vocational Education Initiative.
- Investors in People is the new national standard for companies making a commitment to training. TECs play an important role in helping companies attain it.
- Employer-led TECs and LECs are delivering Government-funded training programmes which reflect industry's understanding of local needs.
- Industry is working closely with the National Council for Vocational Qualifications.
- The CBI's training targets for Britain's workforce demonstrate a new partnership between business and education.

75 per cent of 16 year-olds stay on in full-time education or Youth Training schemes, up from 46 per cent in 1979. Since 1983, over 3 million young people have taken up Youth Training places. And 82 per cent go into jobs or further education when they complete YT.

Now we are offering young people aged 16 and 17 vouchers they can use to buy approved courses of education or training, and which will put the power of choice in their hands.

In 1988, we launched Employment Training, the largest programme of its kind in Europe, which has since helped 1.2 million people. While local programmes are the responsibility of the TECs, the Government guarantees the offer of help to particular groups of unemployed.

Last year, we launched the new Employment Action programme, which will help more than 61,000 people in a full year. This is a new addition to a range of measures which include Jobclubs, the Job Interview Guarantee Scheme and other tested methods of helping unemployed people back to work.

We are also supporting individual training effort. Since 1988, when we launched Career Development Loans (interest-free for up to 15 months), over

25,000 people have benefited. Last year's Budget gave tax relief on training fees - a boost to the 250,000 people a year who finance their own training. Now, with the TECs, we intend to introduce new financial help for career and training guidance.

- By the end of the new Parliament, the new system of National Vocational Qualifications should cover virtually every occupation in the economy. The CBI's training targets envisage 80 per cent of young people reaching NVQ level 2 by the end of the Parliament.
- We intend to make training credits available to all 16 year-olds and 17 year-olds within the lifetime of the new Parliament. The TECs will continue to be responsible for the YT programme for this age group.
- We will continue to finance training programmes for the long-term unemployed and those who face particular difficulties.
- We will launch with the TECs a new initiative, giving people a voucher with which they can buy a 'skill check', providing assessment and guidance on how to make the most of their working lives.



WORKERS AND UNIONS

Over the past 13 years, we have legislated to lift regulatory burdens from the shoulders of those who create jobs in Britain. To industry's relief, we shunned the job-destroying European Social Charter. And we reject Labour's job-destroying notion of a national minimum wage.

We have also legislated five times to transform industrial relations, returning power from militants to ordinary union members. As a result, the number of days lost each year through strikes has fallen from an average 12.9 million in the 1970s to less than a million last year - the lowest figure since records began a century ago.

Labour would disrupt industrial peace by weakening the power of management and the courts. They propose to take away the courts' most important sanction - the power to take over a union's assets.

Sympathy strikes would be legalised by Labour, and employers would be prevented from dismissing strikers who broke their contracts.

The workers' rights we believe in are those which enhance individuals' status and opportunities. We believe people should be informed and consulted by employers about issues which affect their work. No one should be allowed to deduct trade union fees automatically from an employee's pay without written authorisation. Individuals must be given greater rights to belong to the union of their choice.

We also believe strongly that employers, employees and customers should not have their lives and businesses disrupted by wildcat strikes. In the new Parliament, we will legislate to enforce and enhance these rights.

- We will require employers to give everyone who works for them for more than eight hours a week a clear written statement of their terms and conditions of employment.
- We will make automatic deduction of union membership dues without written authorisation unlawful.
- We will take measures to give individuals greater freedom in choosing a union.
- We will legislate to require that all pre-strike ballots are postal and subject to independent scrutiny, and that at least seven days' notice of a strike is given after a ballot.
- People who use public services will have the right to restrain the disruption of those services by unlawful industrial action.



A SHARE IN THE FUTURE

We also believe that people at work should be helped to build security for themselves and their families. Employees should be given every opportunity to acquire a stake in the business for which they work. We have ruled that executive share option schemes may grant options at a discount only if the employer also runs an all-employee scheme.

Saving for a pension reduces reliance on the state. We welcome the provision of occupational schemes covering over 11 million workers. There are already important safeguards, which we have improved, for the rights of members in such schemes. But we believe that a full review of the arrangements is now needed. We also believe that new freedoms for scheme members will strengthen accountability and benefit investors.

- We will establish a review of the framework of law and regulation within which occupational schemes operate.
- We will give every member of an occupational scheme the right to an annual statement of the value of their savings.
- In addition we will examine ways of giving those who retire with lump sum payments more choice as to how their savings are invested.



WOMEN AND OPPORTUNITY

A higher proportion of women go out to work in Britain than in any other EC country except Denmark. Many women choose to work part-time, and our policies have encouraged the development of part-time work within a framework which safeguards employees from exploitation.

Throughout Europe, the UK is recognised to have the most comprehensive legislation to combat sex discrimination. We are also committed to breaking down artificial barriers to women's advancement based on prejudice or lack of imagination. As an employer, government must continue to set an example.

The tax relief we have introduced on training fees is constructed to ensure that non-tax payers - who include many married women - will be able to benefit, too. Many Training and Enterprise Councils already have specific plans to help women trainees. We will involve them further in helping employers to help with childcare.

We believe mothers should be treated equally by government, whether they work outside the home or not. We are fully committed to maintaining the real value of child benefit. And we will act where a push

by government is needed to stimulate the provision of childcare.

All employers who meet childcare costs can set these off against their liability for corporation tax. In addition, we have relieved employees from paying income tax on the benefit of workplace nurseries.

After-school childcare is an area of particular importance to many working mothers. We will introduce a new initiative to encourage the provision of after-school facilities by schools, employers and voluntary groups across the country.

- The Government will amend the law relating to the employment rights of pregnant women to give effect to the EC Directive on Pregnant Workers. This addition to our already extensive legal provision will give a right to at least 14 weeks' maternity leave and protection against dismissal on grounds of pregnancy.
- We will take forward our public appointments initiative. Departments will publish plans for between a quarter and a half of public appointments to be held by women by 1996.
- We will ensure that all parts of government adopt a strategic approach to the employment and development of women staff. We will encourage them to participate in the Opportunity 2000 initiative.
- We will continue to oppose EC measures which would discourage part-time employment, valued by so many women.
- We will encourage all TECs to adopt plans to help women trainees have equal access to training opportunities.
- We will introduce a new grant, paid through TECs, to help employers, voluntary groups or schools to set up after-school care and holiday arrangements. We will ensure that schools are free to participate.

FREEDOM UNDER THE LAW

The Conservative Party has always stood for the protection of the citizen and the defence of the rule of law. Society is entitled to a sense of security; individuals to peace of mind; the guardians of that peace to our whole-hearted support. Our policies on law and order, and the rights of individuals, are designed to protect the people of this country and their way of life.

Britain experiences less violent crime than many comparable countries. But crime has continued to rise in Britain. And the challenge for the 1990s is to step up the fight against lawlessness and violence, so that our citizens can live free from fear.

We must continue to ensure that the sentence fits the crime - with long sentences for dangerous criminals, and fines and a tougher regime for punishment outside prison available as an alternative for less serious crime. And we must maintain confidence in our legal system.

We must tackle crime at its roots. Two-thirds of the offences dealt with by our courts are committed by only seven per cent of those convicted. Most of these constant offenders started down the path of crime while still of school age.

We have launched a reform of our prisons, improving the prospect that those who serve custodial sentences will not return to crime.

But above all, we must remember that it is our policemen and women who are in the front line of the battle. To combat crime effectively, the police need the full support of the Government and the public.

already preparing similar plans. Pilot schemes suggest they can add greatly to the citizen's sense of security and build support for the police.

Community Policing will involve local residents, listen to their views and engage their help in the fight against crime. It will mean:

- smaller police units with officers serving the same area for longer. That way, people can really get to know their local police officers;
- each police force devolving its management and operational control to local units, and streamlining its chain of command;
- getting police back on the beat, and in close contact with the neighbourhoods under their care.

It will be supported by an extension of Neighbourhood Watch schemes, which are vital in deterring theft and burglaries.

Public confidence in the police is enhanced when people know what they can expect from their local police force, and when outsiders are let into the process of inspecting how they work. At least five police forces are already leading the way with charters setting out their targets.



POLICE AND THE COMMUNITY

We Conservatives can be proud of our record in supporting the police. Since 1979 we have increased spending on the police by 74 per cent in real terms. Uniformed manpower has increased by 16,000 and civilian manpower by 12,000. We have launched a campaign to recruit 10,000 Special Constables.

Over the next few years we want to see a major reform which will help provide what the public wants and needs: a visible, local police presence.

We will be encouraging police forces to develop local Community Policing, to link the police more closely with the communities they protect. The Metropolitan Police will be reorganised on this basis by the spring of 1993. Two-thirds of English and Welsh forces are

- We are continuing to increase police numbers. There will be 1,000 extra police officers this year.
- We will continue to give the police the support and resources they need to carry out their duties effectively and efficiently.
- We will be seeking the nation-wide introduction of Community Policing.
- We will encourage civilianisation as a means of freeing police officers for operational duties.
- We will encourage the extension of Neighbourhood Watch to more residential areas.

- We will continue to increase the Special Constabulary, which has seen a rise in recruitment this year of 10 per cent.
- We want each police force to produce a charter telling local people, for example, how quickly the police will aim to respond to emergency calls.
- We will introduce lay inspectors with management experience into the police inspectorate.



PROTECTORS AND VICTIMS

We look to the police to protect us. They risk their lives to do so. Police officers are entitled to the protection of the community they serve. Those who indulge in the shameful practice of 'ambushing', or seeking to frustrate the work of the emergency services, deserve to face severe penalties. We welcome the findings of a study by the Home Office and Crown Prosecution Service which shows that assaults on policemen attract consistently heavier penalties. But we will examine ways of introducing further protection for the police.

We must also pay special attention to the needs of the victims of crime, in the courts and in rebuilding their lives. We have increased funding for Victim Support.

The number of people directly affected by violent and sexual crime remains relatively small. But fear of crime can have a devastating effect on people's lives, and particularly on women's lives. We are determined to reduce this fear.

- We will set up a working party to examine what more can be done to protect the police and members of other emergency services from assault.
- We will encourage victims to report sexual offences by giving them statutory anonymity.
- Under our Safer Cities programme, there are 124 schemes to improve street lighting, which has been shown to reduce the fear of crime significantly.
- Women-only taxi services are being encouraged under the same Safer Cities programme.



PENALTIES AND PREVENTION

Our armoury of criminal law and penalties requires constant review. We have just introduced a new law specifically aimed at the so-called 'joy-rider'. This places the responsibility for dangerous driving, damage, injury or death following from the taking of a vehicle squarely on the shoulders of those in it.

Even where 'joy-riding' is not involved, causing death through dangerous or drink driving is a very serious offence. We believe that the maximum sentence for such a crime should reflect its gravity.

Squatting is nothing less than the seizure of another's property without consent. Having consulted widely on the subject, we have decided to extend the criminal law dealing with squatting.

Illegal camping by gypsies or other travellers can affect the lives of whole communities. We believe that this problem must be tackled.

We are concerned about the small but persistent minority, particularly of young people, who re-offend while already on bail. We have announced new measures to deter them from repeated crime.

Young people who find themselves on probation for shop-lifting, vandalism or petty thuggery should be shown where the path of crime may lead. They should be given a brief personal experience of the nature of prison life.

- Joy-riders' will now face prison sentences of up to 5 years, unlimited fines and unlimited driving bans.
- We will extend the maximum sentence for causing death through dangerous or drink driving.
- We will create a new criminal offence of squatting, to give greater protection to the owners and occupants of shops, commercial premises, houses and flats.
- The 1968 Caravan Sites Act will be reviewed with the aim of reducing the nuisance of illegal encampments.
- As part of a community sentence, young offenders will be taken to see what life is really like inside one of our prisons - a sobering experience for them.

- We will introduce a new police power to make an arrest for breach of police bail.
- We will give the courts the statutory power to increase sentences for those who offend while on bail.
- We will increase the number of bail hostel places, to enable closer supervision of those on bail.
- We will mount a drive against school truancy, and set up a Task Force to find the best ways of co-ordinating the work of local agencies helping young people at risk of becoming offenders.
- We will establish the Prison Service as a separate agency, whose director will have the clear responsibility for day-to-day operations. The Home Secretary will remain ministerially accountable to Parliament for prison policy.
- We will increase the use of private sector management skills.

REFORMING OUR PRISONS

Prisons should be places which are austere but decent, providing a busy and positive regime which prepares prisoners for their ultimate release.

We have been reversing the Labour Party's neglect of the prison service in the 1970s. Since 1985, 14 new prisons have been opened. 7 more will open over the next two years. The end of overcrowding is now in sight.

We have already taken steps to implement the key recommendations of the Woolf report on the future of our prisons. We will bring private sector skills in to enhance efficiency and increase value for money.

We have put out to tender the contract for prison escort services, an approach which has worked well in other countries. The first contract for a privately managed remand centre has been awarded.

- We will sustain our massive prison reform and building programme.
- A reconstruction programme will end the degrading need for 'slopping out' by the end of 1994.
- We will reorganise prisoners' education, training and work opportunities.



OUR LEGAL SYSTEM

As a free society we must have a justice system that is fair, accessible and responsive to the citizen.

We have introduced new powers for the Court of Appeal to increase sentences for crime. And in response to public concern about a small but significant number of miscarriages of justice, we have appointed a Royal Commission to review aspects of the criminal justice system, including the conduct of investigations, the handling of forensic evidence, and the powers of the Court of Appeal.

We have already reduced the opportunity for abuse by our introduction of tape-recorded interviews of suspects by the police. At the same time, we are concerned that police investigations should not be made more difficult by the misuse of certain rights.

We have already introduced a wide range of reforms following our Civil Justice Review. Extending the jurisdiction of the County Courts has helped speed up justice. The success of the small claims system in these courts has shown that simplified procedures can enable people to conduct their own cases or rely on a lay adviser. We have also introduced a reform which will give people more choice as to who represents them legally in court.

We are committed to enabling people with limited means to have access to legal services. We are determined to ensure that these services are delivered efficiently, in a way which provides the best value for money.

The principles of the Citizen's Charter are being applied to our legal system. We will shortly be publishing a Courts Charter.

We are overhauling the way in which family matters are handled in our courts. The new family code will

be applied by magistrates and judges especially trained in family law.

Our Sunday Trading laws have come into question as a result of a possible conflict with Article 30 of the Treaty of Rome. This matter is now before the European Court of Justice, and we are awaiting a judgement. The Government brought forward proposals in 1986 to reform the shopping laws, but Parliament was not able to agree a conclusion. Parliament will be given the opportunity to consider this issue again.

- We will introduce a major Criminal Justice Bill in the lifetime of the new Parliament.
- We will extend the types of cases which can be handled by the County Courts in a simplified way.
- We will consult on a Lay Adjudicators scheme to make it easier for citizens to settle disputes with service providers.
- We will provide a code of family law that will continue to underpin the institution of marriage, give priority to the welfare of the child, and emphasise the primary responsibility of parents for the welfare of children and the family.
- We will bring forward proposals for reform of the Sunday Trading laws once the legal position has been made clear by the European Court of Justice.



PORNOGRAPHY, PRIVACY, LIBEL

We have the toughest anti-pornography laws in Western Europe, and we will keep them that way.

Every year, about 300,000 people - mostly women - request advice and assistance in dealing with obscene or malicious phone calls. We intend to do more to deter this harassment, in conjunction with the telecommunications industry.

The Press Complaints Commission is now in operation, and we will monitor its work carefully to see if self-regulation succeeds.

The public's dislike of unprincipled press behaviour has sometimes been expressed in the award of erratically large libel damages. While this is understandable, it has led to an inordinate number

of successful appeals. We therefore propose to simplify the law relating to libel in the light of the recommendations of the Neill Committee.

- British domestic controls on pornography will remain in place even after the completion of the Single European Market.
- We will increase the maximum penalties for making obscene or malicious phone calls.
- We propose to allow judges to settle the level of damages in libel cases where the defendant offers to pay to make amends.

COMMUNITY RELATIONS

Racial harmony demands restraint on all sides, and a tolerant understanding of the legitimate views of others.

Everybody, regardless of ethnic background, religious or personal belief, has the right to go about his or her life free from the threat of intimidation and assault. We are determined that everyone lawfully settled in this country should enjoy the full range of opportunities in our society. That requires openness on the part of the majority, and, on the part of the ethnic minorities themselves, a determination to participate fully in the life of the wider community.

The Home Office invests £129 million in grants designed to encourage those running public services to ensure that people from ethnic minorities can enjoy the full range of public services - such as health, housing and social services. We believe that these grants would be more effective if responsibility was transferred to those Departments which can make best use of the money.

- Racial and sexual discrimination have no place in our society. We have given the police stronger powers to deal with racial hatred. We will continue to ensure that the full force of the law is used to deal with racial attacks.
- We will transfer the education share of the Home Office's 'Section 11' money to the Department of Education, to focus help on those from ethnic minority backgrounds who need additional English language teaching.



IMMIGRATION AND REFUGEES

Good community relations in this country depend upon a clear structure of immigration controls which are fair, understandable and properly enforced. We are determined to maintain our present system of immigration controls unless we have evidence that other arrangements would be equally satisfactory and cost-effective.

But an increasing number of would-be immigrants from Eastern Europe and other parts of the world seek to abuse our openness to genuine refugees. The number of people seeking refugee status has risen from 5,000 a year to 45,000 over the past four years.

We will continue to honour our commitment to the 1951 UN Convention, and give refuge to those who reach our shores with a well-founded fear of persecution.

- In the new Parliament we must therefore reintroduce the Asylum Bill, opposed by Labour and the Liberal Democrats, to create a faster and more effective system of determining who are genuine political refugees, and who are not.
- We will provide a fair and expeditious system for examining claims for refugee status. This will include a workable appeal system for applicants under which those with manifestly unfounded claims will be returned quickly to their own country or to the country they came from.
- Finger-printing will be introduced for asylum applicants, to prevent multiple applications and fraudulent benefit claims.



THE DANGER OF DRUGS

Illegal drug abuse poses a major threat to the fabric of our society. It can destroy the health and lives of young people in particular. We will tackle this problem with vigour.

We have already taken action on a wide front:

- we have set up co-ordinators in every local education authority to train teachers about the harm drugs can do, and to bring the fight against drug abuse into the classroom;

- we have set up 16 local drug prevention teams in inner cities to tackle particular problem areas;
- we have created the National Drugs Intelligence Unit at New Scotland Yard;
- we have taken the lead in Europe in pressing for the establishment of a Europe-wide Drugs Unit, as a first step towards a creation of a 'Europol';
- we have set up a network of 31 drug liaison officers, in 19 different countries, tracking the international drugs traffickers who threaten Britain with their trade.

We now have the toughest sanctions in Western Europe against drug traffickers.

A number of public services and voluntary bodies are engaged in fighting drug misuse at local level. Such efforts need co-ordination to ensure that local effort and dedication is directed to best effect.

- We will not legalise any banned drugs.
- We will bring forward proposals to ensure that the control of drug misuse is co-ordinated effectively.
- We intend to strengthen our confiscatory powers still further. And we will ensure that our controls against drug-trafficking are not weakened by any changes in Europe.
- We will make it an offence to supply anabolic steroids to minors.



THE THREAT OF TERRORISM

Tragic and dangerous events remind us only too frequently of the need for the special measures provided by the Prevention of Terrorism Act. While Labour proposes to weaken or dismantle them, we know that for the safety of our citizens they must be continued, and the police effort against terrorism must be reinforced.

We have set up in New Scotland Yard arrangements to co-ordinate the activities of all our police forces in the fight against terrorism.

- We will provide the necessary measures and resources to combat terrorism, whether it comes from the IRA or other evil groups who seek to undermine our democracy.

RESPONSIBILITY FOR OTHERS

Conservatives believe we have responsibility one for another. We will continue to care for those in need and work to establish a society that is generous, as well as prosperous. Our health, care and social security systems are fundamental to government responsibilities; and we believe strongly in fostering voluntary services too.



THE NHS - PRESENT AND FUTURE

The Conservative Party is totally committed to the National Health Service. The Government has set out in the Patient's Charter the principles on which the NHS is based. The most fundamental of these is that need, and not ability to pay, is and will remain the basis on which care is offered to all by the NHS.

Since 1979, there have been great improvements in the health of the nation.

- Life expectancy has increased by two years.
- Deaths amongst babies and very young children have gone down by 40 per cent.
- hospitals are treating well over a million more people a year as in-patients.
- hospitals are treating over two million more people a year as out-patients.
- kidney transplants have more than doubled.
- hip replacements have increased by over 50 per cent.
- coronary artery by-passes have nearly tripled.

Since 1979 the Government has vastly increased the resources available to the NHS.

- We have increased overall funding for the NHS by 55 per cent after allowing for inflation. The cash increases in each of the three years up to 1992-93 have been the biggest ever.
- The number of doctors and dentists has been increased by 17,000, and the real resources committed to GP services have doubled since 1979.
- The number of nurses and midwives has gone up by 69,000.
- We have established the independent Pay Review Body which nurses had sought for so long, and increased their pay by 43 per cent. It is hard now to remember that Labour actually cut nurses' pay.

- We have restored the hospital building programme so savagely cut by Labour at the end of their last term of office.

But the Conservative Government has not simply spent more money on the NHS.

- We have reformed the organisation of the NHS to encourage those working in the service to respond to what patients want and need, and to get the most out of the increased money which the taxpayer provides.

At local level, health authorities now have the task of buying health care with their local share of the National Health budget. Hospitals can now be run by their own local team of doctors, nurses and managers. By April there will be 156 NHS Trusts, whose local boards will have extra freedoms to develop local NHS services. Another 156 hospitals have applied to become trusts from April 1993.

We have acted to reduce the long hours worked by junior doctors in hospitals. For the first time limits are being set on the number of hours which may be worked continuously.

Good nursing is the essential complement to good medicine. We have introduced Project 2000 - a new approach to the professional training of nurses.

The GP has a crucial role to play in the development of health services. Under the Government's fund-holding initiative, doctors have control over their own spending on behalf of patients for the first time. Over 3,000 GPs will be fundholders by April, caring for 14 per cent of NHS patients. A further 2,500 are preparing to become fundholders in April 1993. As a result, new services are being offered at local surgeries and health centres. Many general practitioners have said that they would like to become involved in fund-holding. We have already extended the scope of the fund-holding scheme to allow general practitioners to provide services such as community nursing.

- We will, year by year, increase the level of real resources committed to the NHS. Savings made through greater efficiency will be ploughed back into the Service.
- We will develop a comprehensive research and development strategy for the NHS.
- We will continue to develop the NHS Trust movement which places responsibility for managing hospitals and other services with local teams who are closest to patients.
- We will continue to encourage the involvement of doctors and other medical staff in the management of services.
- We will introduce powers for nurses to prescribe where appropriate.
- We will complete the implementation of Project 2000 training for nurses.
- We will set goals for the employment of women in professional and managerial posts in the NHS.
- We will ensure that, following maternity leave or a career break, all women working in the NHS, including those returning to nursing on a part-time or job-sharing basis, are able to return to work of a similar status or level to that which they left.
- We will ensure that the benefits of fund-holding arrangements are available to any GP who wishes to apply, and we will be ready to extend the scope of the scheme further as it develops.



THE PATIENT'S CHARTER

No one questions the dedication of those who work in the NHS. But before the Government's reforms, the system did not always allow that dedication to produce the service which people should be able to expect.

The Patient's Charter sets out clearly what is now expected from the NHS. We have already pledged that in future no one will wait more than two years for treatment on the NHS. In many parts of the country, for most treatments, the waiting time is much shorter than this; and we will seek further progress in reducing waiting times.

- Binding guarantees will be set locally for in-patient waiting times, starting with the operations where waiting causes most distress. To ensure that progress on waiting times continues, we intend that from 31 March 1993, no one should have to wait more than 18 months for a hip or knee replacement, or a cataract operation. We are sure that, as now, many hospitals will be able to do better than this.
- We will move to a system under which a named nurse or midwife will be responsible for your care while you are in hospital.
- We will set specific targets for out-patient waiting times.
- We will make it easier for patients to find out what services are available from the NHS via a new national NHS information service.
- We will ensure that comparative information about the health standards achieved by health authorities is available to the public.
- Simple systems will be set up to allow complaints to be registered and responses given if things go wrong.



STRATEGY FOR HEALTH

This Government has embarked on the first ever strategy for health. Good health requires more than good NHS care when people are sick. A variety of factors - including preventive medicine, diet, exercise, sensible drinking and not smoking - can contribute substantially to improving health across the whole population.

- We will set health objectives to be achieved by the end of the century, including reductions in illness and death from heart disease and cancers.
- We will add new health objectives as the strategy develops.

CARE SERVICES

Care services for children, the elderly and the handicapped are provided by local government, health authorities, the private sector and voluntary groups, not directly by central government. But government is indirectly involved as the provider of taxpayers' money, and through its duty to set standards for publicly and privately provided care.

As the number of elderly people in the population grows, there will be more frail and vulnerable citizens who need support. Many of them will want to be cared for at home. Others will need residential or nursing home care. It is vital that people should have choice in the type of care available. In all cases people must be able to rely on the quality of care. As we move towards implementation of 'Caring for People' in April 1993:

- We will take steps to ensure that individuals who need residential or nursing care continue to have a choice of homes, including independent homes. Money transferred from the Social Security budget to local social services departments will be used for this purpose.
- We will ensure that all local authorities publish information about the social services that are available, including information on standards and complaints procedures.
- We will provide choice in domiciliary and day care.
- We will provide further funding for voluntary organisations to play their vital part in the development of community care services.
- We will support the organisations which help those who care for friends and relatives at home.

CHILDREN

This Government introduced the Children Act, a landmark in legislation to protect children. The Act requires childcare facilities to be registered to ensure that standards are maintained throughout the country.

We believe that the diversity of childcare provision in the UK is one of its strengths. It offers parents real choice. Over 90 per cent of 3-4 year-olds are engaged in some form of group activity. We shall continue to encourage the development of childcare arrangements in the voluntary and independent sectors.

- Each local authority will be asked to produce a Local Childcare Plan setting out the provision available in their area.
- We will ensure that the standards implemented through the Children Act are applied sensibly, and do not discourage private or voluntary arrangements which are often best suited to the needs of children and parents.
- We will carry forward a family support initiative, encouraging the voluntary sector to work in partnership with families and local authorities.

SOCIAL SECURITY

Our aim is to improve further and modernise Britain's social security system. We are providing more support than ever before - £14 for every £10 spent in 1979, after allowing for inflation. More importantly, this extra help is more clearly focused on those groups with the greatest needs - less well-off pensioners, disabled people and low income families.

We have also sought to provide those on social security with better incentives to earn, and gain independence. All too often the old system created barriers to work and penalised the thrifty.

The benefit structure is now more flexible and easier to understand. The new Benefits Agency is simplifying forms and widening choice in methods of payment. We will complete the massive investment in new technology - Europe's biggest

computerisation project - that has made it possible to raise the quality of service to the public. And we will extend 'Helplines' and other means of assistance with individual difficulties.

- We will continue to simplify social security forms wherever possible.
- We will set up a new Family Credit telephone advice service to support working families.
- We will establish a new agency to carry out all social security war pensions work with the aim of providing a better, more efficient service to war pensioners and war widows.

SECURITY IN RETIREMENT

Britain's pensioners recognise the security that Conservative government brings - low inflation, savings that grow, firmness in the face of crime, public services that put the customer first. Those who have dedicated their lives to the service of the community deserve that stability.

We will continue to give the fight against inflation our first priority. The basic state retirement pension will remain the foundation for retirement. We will continue to protect its value against price rises, as we have for the last 13 years.

We also recognise that some pensioners, who have no savings or pensions from their jobs, need extra help. So we will increase the additional support, already up by over £300 million a year since 1989, available to less well-off pensioners.

The number of those over pensionable age will be far higher in the next century than it is today. If we do not make provision now, the burden we will place on our children will be too great. That is why we must encourage people to build up savings, investments, and occupational and personal pensions.

But Labour policy is hostile to such personal effort; Labour wants pensioners to depend on the State. Failure to control inflation meant that pensioners' incomes from savings were cut under the last Labour Government.

About eight in ten pensioners have some sort of second income to top up their state pension. By abolishing the hated earnings rule we have enabled pensioners to keep their retirement pension, even if they take a job in retirement. And we have increased the level of savings that is disregarded in working out entitlement to benefits for pensioners. Personal pensions have brought real choice into retirement provision. Over 4½ million people have set up their own pensions since 1988. We want to see both occupational and personal provision expand much further in the course of the 1990s. (See 'Opportunity for all - A share in the future' for our proposals on occupational pensions.)

- As evidence of our continuing commitment to poorer pensioners, we have announced in the Budget an increase of £2 a week for single people, £3 a week for couples, in income support for pensioners. Combined with the increases this April, this measure will provide less well-off pensioners with between £5.75 and £10.70 a week extra.
- We will continue to pay, from April 1993, a rebate at the level recommended by the Government Actuary for all those who contract out of the State Earnings-Related Pension Scheme.
- We will legislate to provide a new 1 per cent incentive for holders of personal pensions aged 30 and over from April 1993, when the existing incentive ends.
- We will consider proposals for a new system of rebates to come into effect from April 1996 with the aim of ensuring that personal pensions remain attractive across the age range.
- We are firmly committed to equal treatment for men and women in pensions. Following assessment of the responses to our discussion paper, we will bring forward legislation to achieve this.



SUPPORTING FAMILIES

Our reforms have cut away the barriers that meant many breadwinners lost money if they went to work. Family Credit has transformed the prospects of 350,000 low-income families. As a result of improvements since 1988, we have made available an extra £600 million a year in real terms to low-income families with children.

But we also recognise that all families face extra costs in bringing up children. So we have raised Child Benefit. For a two-child family the increases we are making will, by April 1992, have raised the total value of Child Benefit by almost £3 in a single year, to £17.45 a week.

Our new Child Support Agency will make sure that absent parents make a proper contribution - and that far more lone parents and their children get the maintenance that is theirs by right. And benefit changes make it easier for more families - including single parents - to combine work and family responsibilities.

- Child Benefit will remain the cornerstone of our policy for all families with children. Its value will increase each year in line with prices.
- Child Benefit will continue to be paid to all families, normally to the mother, and in respect of all children.



HELP FOR DISABLED PEOPLE

Under the Conservatives, more disabled people than ever before are getting the help they need and deserve. Since 1979, the number receiving Attendance Allowance has more than trebled; the number receiving Mobility Allowance has risen six-fold; the number receiving Invalid Care Allowance has risen 25-fold. Today we spend some £12,000 million a year on benefits for long-term sick and disabled people. Even after allowing for inflation, that is 2½ times as much as Labour spent in the 1970s.

- Disability Living Allowance will bring together the existing Attendance and Mobility Allowance, providing new help to many disabled people who

at present get no such help. Disability Working Allowance will make it easier for disabled people to take up a job.

- We are introducing new disability benefits which will, in the next Parliament, bring extra help to at least 300,000 people. By 1993-94 these and other improvements will mean that we will be directing an extra £300 million a year to long-term sick and disabled people.
- The Independent Living Fund has proved a great success in giving severely disabled people an opportunity to live in the community. We are committed to maintaining a fund which supports the most severely disabled people.



THE VOLUNTARY SECTOR

Charities and voluntary groups play a vital role in our national life. Britain is rich in its citizens' willingness to give time, effort and money to helping others. We have a great tradition of voluntary work at home and overseas. There are now about 350,000 voluntary groups in Britain - and personal donations to charities now amount to some £5,000 million a year.

We have done much to boost charitable giving.

- Under the Payroll Giving Scheme, employees can now contribute up to £50 a month tax-free.
- Gifts and bequests have been exempted from Inheritance Tax.
- The Gift Aid scheme allows charities to claim tax relief on one-off gifts of more than £400 - a change just announced in the Budget.
- The maximum limit on single charitable gifts qualifying for Income and Corporation Tax relief has been abolished.

The new Charities legislation will ensure that charities are better managed and properly regulated. We believe this will enhance public confidence in charities and further boost charitable giving.

The Government gives some £2,500 million a year to support the activities of the voluntary sector (including housing associations). Industry has been generous with its sponsorship and with technical support. But money is not the only contribution that government and business can make. Businesses have become much more practically involved in work in the community. And government could do more to encourage new forms of volunteering, to encourage the most effective use of the money it gives, and to bring together voluntary effort at the local and national level.

- We will continue to support the work of the voluntary sector and promote volunteering.
- We will work with voluntary agencies to develop, over the life of the next Parliament, a national bank of information on opportunities for volunteering.
- We will encourage efforts to improve the co-ordination and promote the growth of local volunteer support, building on the success of Neighbourhood Watch to develop a network of voluntary help in local communities.

ANIMAL WELFARE

We are leading the European Community in our achievements in improving animal welfare. We have also taken action at home and abroad to improve conservation, and will continue to do so.

English Nature, which advises the Government on wildlife issues, has embarked on an ambitious programme to restore endangered species. The Wildlife and Countryside Act 1981 provides special protection for 304 species of birds and animals, as well as protecting our heritage of wild plants.

We are firmly opposed to international trade in rare and protected species such as rhinoceroses, cheetahs, leopards, and bears. We have pushed successfully for an EC ban on large-scale drift nets that threatened dolphins, and we support the UN resolution calling for a moratorium on their use. We support the extension of the moratorium on commercial whaling and have co-sponsored resolutions against 'scientific' hunting of whales. We

have successfully pressed for an EC ban on the importation of baby seal products and of furs from those countries which permit leghold traps.

We have set up the Farm Animal Welfare Council and have brought in welfare codes covering livestock on farms and in transit. We are establishing an ethical committee to look at the effects of advanced techniques in animal breeding. We have banned the use of veal crates, and taken action to ensure humane slaughter. We insisted that we should retain our power to stop the export of live horses. At Maastricht we secured a landmark in animal welfare: our partners' agreement to a declaration that the welfare of animals should be taken into account in the framing of EC legislation.

We now have the toughest set of controls on animal experimentation in Europe, and the number of animals used in experiments has fallen steadily. We have supported stronger laws to protect badgers and stop cruel tethering, and have increased the penalties for organising animal fights and for cruelty.

- We will introduce a Wildlife Enhancement Scheme and expand the Species Recovery Scheme, both to be run by English Nature.
- We have tightened controls on the import of wild birds and will press the EC to do the same.
- We oppose resumption of the trade in ivory or elephant products, and will provide additional support for elephant conservation projects in Africa.
- We will urge our EC partners to bring animal welfare standards up to UK levels, for example by banning veal crates and stalls and tethers for pigs. We will press them to put into practice the principles of the Maastricht declaration.
- We will use our EC Presidency to toughen up EC regulations and improve EC compliance with rules governing animal experiments.
- We will press for higher EC standards for the keeping of battery hens and for the care of animals in transit.
- We will not accept any weakening of our rabies prevention safeguards.

A BRIGHTER BRITAIN

Making Britain a brighter and better place in which to live requires a high quality physical environment - including housing, transport and reinvigorated urban areas. The Conservative commitment is both to the re-creation of our civic pride and also to the preservation and integrity of our rural heritage, founded on the core industry of agriculture. Our aim is to enhance the quality of life for the British people.



HOME OWNERSHIP

The opportunity to own a home and pass it on is one of the most important rights an individual has in a free society. Conservatives have extended that right. It lies at the heart of our philosophy. We want to see wealth and security being passed down from generation to generation. Some 4 million more householders own their own homes compared with 1979. The number of former council tenants who have bought their homes has risen to 1.4 million.

We now need to make it easier for those council tenants living in high-cost areas or on low incomes to move gradually into home ownership, without taking on too heavy a financial burden at any one time. This will bring the benefits of home ownership within the reach of more people and introduce more diversity in local authority estates. We also want to help more leaseholders to own and control the management of their property.

But we recognise that not everyone can, or will want to, buy his or her home. So we are determined to encourage a strong private rented sector while continuing to safeguard the rights of existing regulated tenants. Bringing empty private sector dwellings back into use will extend choice, make it easier for people to move jobs, and help tackle homelessness.

- We will maintain mortgage tax relief.
- We will continue 'Right to Buy' discounts, and ensure that local authorities respond reasonably and rapidly to applications.
- We will introduce a new nation-wide 'Rents to Mortgages' scheme, enabling council tenants to take a part-share in their home, gradually stepping up to full ownership.

- We will put more of the Housing Corporation's £2,000 million budget into Do-It-Yourself shared ownership. This will enable first time buyers to choose a home and buy a share of it - usually 50 per cent - with a housing association paying rent on the rest until they wish to increase their stake in the property.
- We will introduce 'Commonhold' legislation, giving residential leaseholders living in blocks of flats the right to acquire the freehold of their block at the market rate. Leaseholders of higher rated houses will also be given the right to buy the freehold of their property. Leaseholders who live in a block which does not qualify will have a new right to buy an extended lease.
- We will introduce statutory time limits for answers by local authorities to standard inquiries by house-buyers, and explore the idea of a new computerised Property Data Bank bringing together information held by the Land Registry and other public bodies.
- We will extend nation-wide the scheme we have piloted to increase private renting, whereby housing associations manage properties, building trust between tenant and private sector landlord.
- As soon as possible in the new Parliament, we will introduce a new 'Rent a Room' scheme under which home-owners will be able to let rooms to lodgers without having to pay tax on the rent they receive.



MEETING HOUSING NEED

We are also committed to securing a better deal for council tenants and increasing the supply of affordable housing for those in housing need. We will introduce more choice, improve management of estates and create new rights as part of the Tenant's Charter. Our aim will be to give tenants a choice of landlord wherever possible, and make management of both council and housing association stock more responsive to the needs of tenants.

We will improve the way in which council housing is managed by bringing in new private sector providers operating on contract to the local authority. We will introduce more competition and choice, thereby improving services to the tenant and increasing accountability. And we intend to give council tenants new opportunities themselves to improve the flat or house in which they live.

We have already begun a process of Large-Scale Voluntary Transfer which allows local authority tenants to opt to transfer to a housing association. We wish to see this result in diversity, not local monopoly, and will therefore act to limit the size of blocks that can be transferred.

Nearly all new social housing is now being built by housing associations. Over the next three years, we are committed to spend nearly £6,000 million through the Housing Corporation to provide 153,000 homes.

We will do more to bring into use properties owned by central and local government which are standing empty for no good reason. This will enable us to house more people on the waiting list and, in some cases, to provide more opportunities for homesteading.

Through Estate Action and Housing Action Trusts we have invested £1,000 million in recent years in a concentrated attack on the country's worst housing estates. Some 360,000 dwellings have been improved as a result. As part of those programmes, on which we are committed to spend a further £1,400 million over the next three years, we are demolishing or redesigning tower blocks and deck access estates, rebuilding on a more human scale. Wherever we can, whenever tenants want it, and where resources allow, we will pull down the eyesores which have blotted our cityscapes and too often provided breeding grounds for crime and delinquency.

The Government is spending about £100 million tackling the problem of rough sleeping in our cities. As a result we have seen a sharp fall in the numbers who sleep rough on our streets. Working closely with the voluntary sector we will continue to provide help for those sleeping rough, particularly in the capital.

- We will revolutionise the management of council houses and flats. Compulsory competitive tendering will oblige local authorities to bring in managers who demonstrate their ability to deliver the best services to tenants.
- We will continue our programme of Large Scale Voluntary Transfer of council properties to housing associations. But in order to bring management closer to tenants, we intend to reduce the limit on the number of properties transferred in a single batch.
- We will give tenants a new Right to Improve, so they can receive compensation for certain home improvements which they undertake. And we will improve the existing Right to Repair.
- We will continue our Estate Action and Housing Action Trust programmes which concentrate resources on the worst council estates.
- We will enable tenants to apply for Housing Action Trusts to take over and improve the worst estates.
- We will work with the Housing Corporation to establish a new Ombudsman for housing association tenants. We will also encourage the Corporation to extend opportunities for tenant involvement in the management of housing association properties.
- We will set up a Task Force - headed by an independent chairman - to help bring empty government residential properties back into use. These will either be sold or let on short term leases to those in housing need.

- As part of Estate Action we will introduce a new pilot scheme to promote homesteading. Local authorities will be encouraged to offer those in housing need the opportunity to restore and improve council properties. In exchange, homesteaders will pay a lower rent or be able to buy at a reduced price.

TRANSPORT

Under the Conservatives, transport in Britain is being transformed. More competition on the roads and in the air has led to better services and more choice. Our successful policies of deregulation and privatisation have gone hand in hand with a sustained and growing programme of investment. Over 1,000 miles of new trunk roads and motorway have been built, more than 100 bypasses constructed, and some 750 miles of railway electrified. Airlines now operate 50 per cent more flights. More people travel further and more easily than ever before.

Over the next three years we are committed to the biggest investment in Britain's transport infrastructure in our history.

We will also seek further opportunities for the private sector to contribute, as it has for example with the Channel Tunnel, the Queen Elizabeth II Bridge at Dartford, the second Severn Bridge and the Birmingham Northern Ring Road. We intend the proposed new rail link from the Channel Tunnel to King's Cross to be taken forward by the private sector.

THE RAILWAYS

We believe that the railways can play a bigger part in responding to Britain's growing transport needs, and are investing accordingly. Next year alone, British Rail's external finance will top £2,000 million. The new Passenger's Charter will help to raise the quality of service. For the first time ever performance targets will be set, widely published and rigorously monitored; fare levels will reflect the standards set; and discounts will be paid to regular travellers where performance targets are not met.

We believe that the best way to produce profound and lasting improvements on the railways is to end BR's state monopoly. We want to restore the pride and local commitment that died with nationalisation. We want to give the private sector the opportunity to operate existing rail services and introduce new ones, for both passengers and freight.

A significant number of companies have already said that they want to introduce new railway services as soon as the monopoly is ended. We will give them that chance.

Our plans for the railways are designed to bring better services for all passengers as rapidly as possible. We believe that franchising provides the best way of achieving that. Long term, as performance improves and services become more commercially attractive as a result of bringing in private sector disciplines, it will make sense to consider whether some services can be sold outright.

In the next Parliament:

- By franchising, we will give the private sector the fullest opportunity to operate existing passenger railway services.
- Required standards of punctuality, reliability and quality of service will be specified by franchises; subsidy will continue to be provided where necessary; arrangements to sustain the current national network of services will be maintained; and through-ticketing will be required.
- A new Rail Regulator - who will ensure that all companies have fair access to the track - will award the franchises and make sure that the franchisees honour the terms of the contract.
- BR's accounting systems and internal structures will be reorganised. One part of BR will continue to be responsible for all track and infrastructure. The operating side of BR will continue to provide passenger services until they are franchised out to the private sector.

- The franchise areas will be decided only after technical discussions with BR. But our aim will be to franchise out services in such a way as to reflect regional and local identity and make operating sense. We want to recover a sense of pride in our railways and to recapture the spirit of the old regional companies.
- We will sell BR's freight operations outright. We will also sell its parcels business.
- We will be prepared to sell stations - which we want to be centres of activity - either to franchisees or independent companies.
- The Railway Inspectorate will be given full powers to ensure the highest standards of safety.

ROADS

Nine out of every ten journeys, whether passenger or freight, are made by road. We must therefore continue to provide an efficient road network. In the years ahead we will concentrate particularly on the bypass programme.

As part of the Citizen's Charter, we will bring forward reforms which will enable the private sector to start filling the gaps in the motorway service area network and to introduce more variety. Rather than large, intrusive stations at long intervals we should see smaller, more frequent service areas providing a much wider range of facilities.

We will investigate ways of speeding up, within the Department of Transport, the procedures for building new roads. We will continue our campaign to keep 'coning off' on motorways to a minimum by extending lane rental schemes, under which contractors who fall behind schedule incur financial penalties. Next year two-thirds of all motorway maintenance work will be carried out in this way.

Britain has the best road safety record in the European Community. In spite of the vastly increased volume of traffic, fewer people are now killed on our roads than at any time since 1948. Our aim is to improve on that record still further.

In spite of the benefits they bring, cars carry an environmental cost. In Britain catalytic converters will be compulsory on all new cars from the end of 1992. This will eliminate virtually all harmful exhaust gases, except for the emission of CO₂. The only certain way of cutting CO₂ emissions is to encourage fuel efficiency. Action is needed at international level and we will play our full part.

Buses have an increasingly important part to play. The deregulation of long-distance coach services has led to a major expansion in reliable and cheap services. Bus deregulation outside London has increased mileage by 16 per cent. We now propose to take deregulation and privatisation further.

We will improve road transport by:

- Investing £6,300 million in our trunk road and motorway network over the next three years, concentrating particularly on bypasses. Some 40 new ones will be opened by 1995 on trunk roads alone.
- Increasing penalties for those convicted of drink driving.
- Installing cameras at dangerous road junctions to film those who drive through red traffic lights.
- Encouraging local councils, assisted by a special budget we have set aside, to introduce pedestrian priority areas and cycle lanes.
- Privatising the remaining 39 local authority bus companies.
- Deregulating buses in London and privatising the London Buses subsidiaries. A new London Bus Executive will be responsible for bus-stops, stands and stations and for contracting out socially necessary services. The concessionary fares scheme in London will continue.
- Changing the system under which motorway service areas are provided.
- Encouraging action internationally, and within our own motor industry, to promote more fuel-efficient vehicles.



AVIATION AND SHIPPING

More competition in aviation means more choice, better services and lower fares. That is why we have been pressing within the EC for full liberalisation of services. We also want to see more transatlantic flights, particularly to regional airports. People in the regions should not have to travel to London in order to fly to the United States. Direct flights would boost local economies and apply downward pressure on fares. The key regional airports are still in local authority ownership. They should be well placed to benefit from an increase in the number of direct point-to-point flights. But if they are really to grow and prosper, they need access to private capital, freed from the constraints of public ownership.

Air safety cannot be compromised. Over the next five years the Civil Aviation Authority will invest £750 million in modernising its systems.

More can be done to cut some of the regulatory burdens our shipping industry faces. We will ensure that the recommendations of the Government-Industry Joint Working Party are put into effect as rapidly as possible.

- We will further liberalise transatlantic air services and encourage more international flights to and from regional airports.
- We will encourage local authorities to sell their airports.
- We will reduce airport congestion by increasing the capacity of our air traffic control.
- We will continue to campaign within the EC for further liberalisation, particularly of cabotage, so that there are more commercial opportunities for British companies.



LONDON'S TRANSPORT

A major programme of renewal and modernisation is transforming public transport in London - including the biggest expansion of London's rail network since the 1930s.

The £750 million upgrading of the Central Line is already under way, to be followed by a similar programme on the Northern Line; the Jubilee Line extension and Crossrail will follow.

London Underground is planning to invest £3,500 million over the next three years. It has introduced an ambitious Company Plan which will lead to better service, cleaner trains and more staff at stations and on platforms. Their new Charter will be published shortly.

Responsibility for the Docklands Light Railway has been transferred to the London Docklands Development Corporation. As its performance continues to improve, we expect to see growing private sector interest in purchasing it outright.

- We will seek to privatisate the Docklands Light Railway during the lifetime of the next Parliament.
- The new Jubilee Line is being extended to Docklands and South East London and will be followed by the East-West Crossrail, linking Paddington to Liverpool Street. The Docklands Light Railway is being extended at an eventual cost of £800 million.
- London Underground's Charter will set out tougher new standards and what it will do to compensate passengers should it fail to meet those standards.



LOCAL GOVERNMENT

Local councillors - some 25,000 men and women throughout Britain - are responsible for some of our most important public services. Since 1979 we have sought to create an accountable local government system capable of delivering high quality local services at a price that local people are prepared to pay.

Conservative councils in shires, districts and cities have been at the forefront of these reforms. In a responsive and efficient manner, they have demonstrated how to deliver good services at an affordable price.

Over the past 13 years, we have:

- held down unjustified rises in the cost of local government;
- abolished the power of local councils to shift the burden of taxation on to local business, for the first time limiting the overall rise in business rates to no more than the rate of inflation;

- abolished an expensive and bureaucratic layer of government in London and other big cities;
- developed the local authority role from direct provider to effective enabler, encouraging many tenants to buy their own homes, allowing schools the freedom to manage their own affairs and improving the quality of local services by allowing private business to compete for contracts.

Labour threaten all these reforms. They would 'uncap' local spending, leading to higher local and national taxes. They would 'uncap' business rates, threatening a return to the 1980s when the English rate poundage rose 37 per cent more than inflation. They would abolish the requirement on local authorities to seek value for money through competitive tendering. They would remove the freedom of local communities to preserve their grammar schools. They would introduce a new, expensive layer of government bureaucracy at regional level. They would return local government finance to the bad old days of domestic rates, with unrestrained power for local councils to charge householders as much as they like. And they would abolish the Audit Commission, which not only maintains the probity of local government accounting, but also pioneered the drive for better quality of service and value for money in local government.

We now propose further reforms in the structure, finance and accountability of local government. In the meantime, we have transferred a further share of the burden of financing local services to central government. Today, local community chargepayers bear only a small proportion of the cost of local councils.

- We will set up a commission to examine, area by area, the appropriate local government arrangements in England. Local communities will be fully consulted and their loyalties and interests will be central to the commission's task in deciding whether in any area a single tier of local government could provide better accountability and greater efficiency.
- We are looking at ways in which the internal management of local authorities might become more effective.

- We are applying the principles of the Citizen's Charter to local government, requiring the publication of more information which will enable local people to judge the efficiency of their councils in providing services.
- We will continue to 'cap' local spending where necessary.
- As we announced in the Budget, no one's Uniform Business Rate will go up this year by more than the rate of inflation - 4.1 per cent. And we have speeded up the benefits of revaluation for those businesses who gain from it.
- In future years, we will maintain our pledge to prevent UBR poundage rising by more than inflation.
- We will replace the Community Charge with a new Council Tax in April 1993. The Council Tax will be simple and straightforward to administer. It will be fair and will rightly reflect both the value of the property and the number of adults who live in it.
- Single householders, who suffered under the rates, will receive a 25 per cent discount. By grouping properties into a limited number of bands, the Council Tax also avoids the punitive bills which would be imposed by an unfettered rating system of the kind proposed by Labour. Students and people on low incomes will not have to pay.

CITIES

We take pride in our cities. Right across Britain they have been given a new lease of life. From London to Glasgow, from Cardiff to Newcastle, historic buildings have been restored and areas which had been run down have been transformed. The £4,000 million Action for Cities programme underlines the Conservative commitment to our inner cities and the people who live there. It highlights our determination to spread opportunity as widely as possible. We want all our people to share in growing prosperity and to have a stake in the country's future. Much has been achieved in recent years. The Urban Development Corporations and the wide range of

central government grants have helped to regenerate many of our inner city areas. But more remains to be done.

The best way to restore the spirit of enterprise which first made our cities great is for local people, the private sector, the voluntary sector and local and central government, to work together in partnership. That is the principle which lies behind City Challenge. Its new approach of competitive bidding has already galvanized towns and cities into bringing forward imaginative proposals for regeneration. It has improved co-ordination, secured better value for money and encouraged programmes which tackle problems on a number of fronts.

- We will continue to extend City Challenge and allocate a greater proportion of resources by competitive bidding.
- We will support Urban Development Corporations in their critical task of urban regeneration.
- We will bring together resources for targeted inner city programmes into a single budget. This will mean that funding will go where it is most needed locally rather than according to a set of priorities determined in Whitehall.
- We will strengthen the machinery for co-ordination in the regions. New, integrated regional offices of the appropriate Whitehall departments will be established so that business and local government will have only one port of call.
- We will establish a new Urban Regeneration Agency to pull together our efforts to clear up and develop derelict land, helping to bring it back into commercial use and provide new opportunities for local people.

Working in the urban areas, the URA will administer much of the Urban programme of the Department of the Environment. It will have a dual function. First, outside the existing UDC areas, it will reclaim derelict land, assembling suitable sites for redevelopment using vesting or compulsory purchase powers where necessary. Second, it will

itself be able to develop land in partnership with the private sector. This represents a major step forward in unlocking the commercial potential of our inner cities and of breathing new life into areas which may have been derelict for many years.

But our focus is not just on physical regeneration. We want to see more opportunities for training, more encouragement to enterprise, better education and more measures to tackle drugs and crime.

Encouraging enterprise, improving the environment and providing new opportunities for the unemployed are central to our inner city policies. Remotivating individuals and providing the right conditions for business are the only ways to make lasting change.

- We will offer the Loan Guarantee Scheme for small firms on more generous terms in inner city areas. The scheme will be extended from Task Force areas to include successful City Challenge bidders.
- We will make more people eligible for our successful Job Interview Guarantee Scheme, which links unemployed people with local jobs.
- We will carry out pilot projects for the 'foyer' concept, whereby young people are given a place in a hostel if in exchange they give a commitment to train and look for work.
- We will pilot a number of 'back to work' bonus schemes in inner city areas for the long-term unemployed.
- We will extend customised training under the Job Link programme to include City Challenge areas.
- We will make inner city Task Force and City Challenge areas eligible for regional innovation grants.

We are also determined to raise standards in our inner city schools, to crack down on truancy, and to help prepare young people for the world of work.

The City Technology Colleges show what can be done. They are overwhelmingly popular with parents and pupils and are doing much to raise standards for children of all abilities in the inner cities.

Under the Citizen's Charter, we shall soon be able to identify much more precisely than ever before those schools which are delivering unacceptably low standards. So will parents. We will publish test results, exam results and truancy rates and ensure that there is regular independent inspection. This will enable us to put the spotlight on those inner city LEAs and schools which are failing their pupils.

- We will continue to seek opportunities to open new CTCs in deprived inner city areas.
- We will ensure that more schools, especially in the inner cities, have the opportunity to develop their technological expertise.

Tackling crime and the fear of crime forms a vital part of the strategy to make our inner cities better places to live and work. The Safer Cities initiative, launched in 1988, has successfully brought together local groups and agencies to tackle crime in some of our worst affected urban areas. Twenty schemes are already in operation.

- We will double the number of Safer Cities Schemes to cover 40 urban areas.

LONDON

London is a magnet to visitors and business from across the world. Since 1979 we have invested heavily to secure that status. Billions of pounds have gone into improving air, rail and underground links. We will continue that programme of modernisation. We are determined to sustain into the next century London's special position as one of the world's leading capital cities. We reject Labour's plan to recreate a bureaucratic and wasteful GLC. Instead, as part of our Millennium programme, we will launch a London 2000 initiative. The Secretary of State for the Environment will convene a new private sector forum to promote London internationally as a business, tourist and cultural centre. The Secretary of State will also chair a new Cabinet sub-committee to bring together Ministers from all key departments and co-ordinate policy for the further improvement of London. A single Minister will be given

responsibility for co-ordinating London's transport services. London's place as a world centre for financial and insurance services is pre-eminent; we intend to keep it that way. And we will support the vigorous cultural life of the capital, which has seen new galleries, theatres and museums opening over the last decade.

- We will launch a London 2000 initiative.
- We will convene a new private sector forum to promote London's position internationally.
- We will establish a new Cabinet sub-committee to co-ordinate policy on London.
- We will give a single Transport Minister responsibility for services in London. He will chair a new Transport Working Group which will bring together public transport operators - from both public and private sectors - to discuss transport issues in London.

THE COUNTRYSIDE

We have always cared for the countryside. We support its major industries and way of life, while recognising the place it holds in the hearts of those who live in towns.

We want to protect our most beautiful landscapes, conserve the abundance and variety of our wildlife and habitats, promote access and public enjoyment of the countryside, and encourage public participation in caring for the countryside.

But the countryside is more than just a pretty picture. It is a place where people live and work, as they have done in the past and will do in the future. In providing our public services, we will continue to recognise the particular needs of people who live in the countryside.

- We will continue to promote a diverse rural economy, balancing the need for jobs, housing and services in rural areas with protection of the rural environment.

AGRICULTURE

Centuries of farming have shaped our countryside. Now farming is at a crossroads, both here and in the rest of the European Community. World-wide pressure to reduce protectionist measures, and the need to contain the cost of the Common Agricultural Policy, mean that farmers will face reduced support and increased competition.

We believe that farming in the UK can meet these challenges. But many farmers will need help to adapt to the new conditions, and we will continue to provide assistance.

It will become increasingly important for farmers to obtain a greater proportion of their income from the market. We will encourage farmers, retailers and manufacturers to work together to increase our share of the European food market.

We are committed to reducing the burden of regulation on business in general, and farming in particular. We will not accept UK farmers being put at a disadvantage by EC laws being applied differently in other countries.

Responsible farmers have always combined efficient farming with care for the countryside. We will continue to encourage this approach through schemes to protect landscape and habitats of special importance. We will also maintain direct support for farming in the Less Favoured Areas in ways which encourage good environmental practice.

- We will seek a reform of the CAP which brings agriculture closer to the market; reduces the costs to taxpayers and consumers; is implemented at a pace which the industry can bear; affects all Community farmers equitably, regardless of size or location; and recognises the importance of environmental protection.
- We will build on the producer marketing initiatives which we have already launched, including the Group Marketing Grant.
- We will assist the Milk Marketing Board's move to a new structure which will be better able to protect the interests of producers and consumers in the Single Market.

- We will publish target response times for grant and licence applications made to the Ministry of Agriculture.
- We will take forward proposals for radical liberalisation of the agricultural tenancy laws in order to make more land available for rent, especially for new entrants.
- We will enforce effective pollution control regulations while helping farmers to meet the high standards required.
- We will press for an agreement in the EC's Agricultural Council which will allow us to provide financial encouragement for organic agriculture.

FORESTRY

Forestry is a traditional rural industry, which also affects the landscape, and gives pleasure to millions of people. The needs of a successful industry, landscape conservation, and public access must all be accommodated; and we will reorganise the Forestry Commission to reflect these objectives more effectively.

- We will plant a new national forest in the Midlands and community forests elsewhere.
- We will review the effectiveness of the current incentives for forestry investment.
- We will produce guidance on the preparation of local Indicative Forestry Strategies designed to encourage new woodlands, while steering planting away from sensitive areas.

FISHING

Fishing is a vital industry in many parts of our islands. Many fishermen have done well in recent years but they now face great pressure on the fish stocks. This means that fishing quotas are likely to fall in coming years in order to preserve the long-term future of the fisheries. We will continue to work for the profitable and sustainable future of our fishing fleet.

- We are determined to see that the renegotiation of the Common Fisheries Policy protects the interests of UK fishermen and retains our share of the Community's fishing opportunities.
- We will introduce a balanced package of measures, including decommissioning and controls on fishing activity, to conserve fish and safeguard the future of the industry.

RURAL JOBS AND SERVICES

Changes in agriculture and other traditional industries will affect employment opportunities in the countryside. We will continue to target help through the Rural Development Commission, and ask the RDC to review the Rural Development Areas to ensure that its efforts are targeted on the areas of most need. We are committed to developing tourism in ways which provide all-year-round jobs and bring benefit to less well-known parts of our countryside, without damaging the environment. We have recently published new planning policy guidance which makes it clear how the countryside can benefit from new businesses and jobs, if the location and design of development are handled with sensitivity.

In local government, many of our shire counties and districts have led the way in raising the quality of public service. Local post offices, local transport and local schools all have an important role to play in sustaining rural life.

- We will consult on our recently published draft planning policy guidance designed to provide a clear framework for decisions on developments to aid tourism.
- We will widen the availability of the Rural Development Commission's successful Redundant Buildings Grant Scheme, and strengthen other RDC programmes.
- We will maintain our special programmes to promote affordable homes in rural areas.
- We are fully committed to maintaining a national network of post offices.

- We will continue to assist local authorities who want to subsidise rural transport.
- We will enable village schools that wish to apply for Grant-Maintained status to do so in small groups, thus enabling them to share management tasks while still enjoying the benefits of independence.
- The expansion of GP fund-holding will bring particular benefits to rural areas because of the convenience of different services - such as physiotherapy and consultant appointments - being offered in the GP's surgery.

CARING FOR THE COUNTRYSIDE

Some of our finest landscapes are designated as National Parks. All National Park authorities will become independent Boards, which will make it easier for them to carry out their tasks effectively. The New Forest will be given a statutory status which will give it as great a level of protection as any National Park.

Last summer the Government launched an experiment in 'Countryside Stewardship'. This aims to conserve, enhance and re-create fine landscapes so that they may be enjoyed and appreciated by the public. The response from farmers, landowners and environmental bodies has been very positive. We therefore propose to expand the scheme and to introduce a new scheme to preserve hedgerows - a much valued feature of the English landscape, and a haven for wildlife.

The Government endorsed and supported the Countryside Commission's target designed to bring 120,000 miles of rights of way into good order by the end of the century.

At parish level, individuals can work together either to safeguard the character of their local village, or to improve its appearance. Local action can also preserve local wildlife and habitats. Under the Rural Environmental Action Scheme, grants of up to £2,000 per project will be available to support local environmental action.

The Government is keen to promote the fullest possible use of inland waterways for leisure, recreation and amenity, in the regeneration of inner cities and for freight transport where appropriate. But we recognise that the various uses of canals and rivers must be properly managed to protect the character and environment of the waterways.

- We will expand the Countryside Stewardship Scheme to cover the conservation of historic landscapes, meadows, pasture and hedgerows. Public access to qualifying schemes will be encouraged.
- We will introduce a Hedgerow Incentive Scheme to help preserve hedgerows of particular historic, landscape or wildlife importance.
- We will contribute to the Countryside Commission's new Parish Path Partnership designed to stimulate local maintenance and improvement schemes.
- We will continue to support the development and redevelopment of our canals, as well as enhancing the environmental standards of our waterways.



THE ENVIRONMENT

The Conservative Party's commitment to the environment is beyond doubt. Other parties promise the earth. We have taken action - both nationally and internationally - to preserve it.

Environmental protection can impose financial costs on producers, consumers and taxpayers, so we must make sure the threat of damage is a real one. But we also accept the precautionary principle - the need to act, where there is significant risk of damage, before the scientific evidence is conclusive. And we recognise that higher environmental standards can offer new opportunities for business.

We published the first comprehensive White Paper on the Environment in 1990. It covered everything

from the stratosphere to the street corner. We will continue to publish annual progress reports.

This Conservative Government has taken a lead in working to protect the ozone layer. We will strive to accelerate the eradication of ozone depleting substances.

One of the most important issues facing all countries is the threat of global warming. Effective action to combat global warming must be international action. Again we have taken a lead. The Prime Minister was the first world leader to announce his intention to attend the Earth Summit in Rio de Janeiro this June. We have said that we will consider stabilising our CO₂ emissions earlier than our existing conditional target of 2005. We have promised to provide new and additional resources to help the developing countries to tackle their environmental problems.

Within Britain, and ahead of other European countries, we have introduced the concept of integrated pollution control.

We have set up, for the first time, powerful co-ordinating machinery within Whitehall to ensure that environmental considerations are given due weight in all decision-making.

We are committed to openness on environmental matters. We support the establishment of a European Environment Agency to provide a Europe-wide environmental database. We believe that the public should have access to information held by the pollution control authorities. Public registers are now provided by bodies such as the National Rivers Authority and Her Majesty's Inspectorate of Pollution.

- We will establish a new Environment Agency which will bring together the functions of the National Rivers Authority, Her Majesty's Inspectorate of Pollution and the waste regulation functions of local authorities.
- The new EA will have a statutory duty to publish an annual State of the Environment report.
- Within the European Community we will press for the introduction of integrated pollution control on the UK model.

TOWARDS THE MILLENNIUM

A more prosperous Britain can afford to be ambitious. We can aspire to excellence in the arts, broadcasting and sport. We can use our increased leisure time, energy and money, to improve life for ourselves and our families. The National Lottery we propose to introduce can be used to restore our heritage and promote projects which will become a source of national pride.

National Lotteries have been found useful at several times in our history. The British Museum was founded out of the proceeds of such a lottery. Fourteen years ago, a Royal Commission recommended the creation of a National Lottery in Britain to provide extra money for deserving causes. The case has become even stronger as British people gain more opportunities to participate in foreign lotteries - thus increasing the risk that funds which we could put to good use in Britain will be diverted abroad.

We believe a well-run, carefully controlled form of national lottery would be popular, while raising money for many good causes.

We will canvass views on how such a lottery should be run and controlled, and how it would fit within the pattern of charitable fund-raising in Britain.

We believe that the funds generated by a National Lottery should be used to enhance the life of our nation. People who enjoy the arts, sport, Britain's heritage and fine countryside could all benefit from the proceeds from a National Lottery. Charities, right across the country and covering such areas as medical research, will also be potential beneficiaries.



THE MILLENNIUM FUND

We will be consulting widely on the best way to distribute the proceeds of a lottery. But we have decided that part of the proceeds should be put aside, year by year, into a Millennium Fund specifically dedicated to projects which will commemorate the start of the twenty-first century and will be enjoyed by future generations.

- We therefore propose to introduce a National Lottery from 1994, which would help provide funds for a number of good causes in the artistic, sporting, heritage and charitable fields - and from which some funds would be put aside for a Millennium Fund.

The Millennium Fund could be used, for example:

- To restore the fabric of our nation: our great inheritance of buildings which symbolise and enrich our national life.
- To help endow our cities and regions with facilities to enhance the celebration of United Kingdom 2000, such as the sporting facilities Manchester would need to host the 2000 Olympics.
- To help another major city - chosen by competition - to hold an international trade fair designed to be a showcase of British innovation for the twenty-first century.
- To enable voluntary groups and local communities to bid for funding for their own Millennium projects for local restoration schemes, or for improving the amenities of canals and rivers, as a source of enjoyment for local people and a habitat for wildlife.
- To provide Millennium bursaries for young people (and newly retired people) offering their time, energy and commitment to schemes designed to change the face of the United Kingdom by the year 2000.



THE ARTS

Britain has a great artistic heritage and a lively contemporary arts scene. The arts have flourished in recent years, with growing attendance at theatre, opera, dance and arts festivals.

We have supported this by increasing the public funding of the arts, by 60 per cent in real terms since 1979, and introducing new incentives to personal giving. The arts have also forged new partnerships with local authorities, businesses and private patrons. Business sponsorship in particular has expanded hugely.

We have set up new Regional Arts Boards and supported the Scottish and Welsh Arts Councils in order to diversify and enrich cultural life throughout the country.

We have financed the European Arts Festival to be held throughout Britain during our Presidency of the Community in the second half of this year, as well as the first National Music Day in June.

In this year's Budget, we announced further tax relief on film-making in this country. Our aim is to make the performing arts, museums and our heritage accessible to all. We will encourage the young to become involved and will facilitate access for the disabled.

- The National Lottery will provide a new source of finance for the arts.
- We will maintain support for the arts and continue to develop schemes for greater sponsorship in co-operation with business and private individuals.
- We will re-examine the role of the Arts Council, as many of its functions are now carried out regionally.
- We will continue our support of libraries as educational, cultural and community centres, and urge local authorities to keep up standards. We will complete the new British Library building for which we have provided £450 million.

SPORT

Success in sport is a source of national pride. Enjoyment of sport can enrich every life. We have given strong support to the Sports Council and its efforts to raise participation in sport. We actively support Manchester's bid to bring the Olympic Games to Britain.

We want to restore the good image of football. Tough action has cut down football hooliganism. We have helped to establish the Football Trust, which now devotes £20 million a year to improving the safety of grounds.

Under the National Curriculum all primary and secondary age pupils will follow a course of PE. All pupils will be taught to swim by the age of 11.

We will continue to encourage private sector sponsorship of sport. We will encourage more effective use of local sport and leisure facilities through compulsory competitive tendering. We want to see more dual use of school playing fields and halls and will give schools more freedom in their management.

We are asking Local Education Authorities not to make sales of school playing fields in future unless there is no evidence of long-term need.

- Sport, too, will benefit from the resources generated by the National Lottery.
- We will actively support Britain's bid to host the 2000 Olympic Games in Manchester. We will provide £55 million towards the preparation of the site and key facilities in the first stage of the bid, and we will ensure that the project, whether successful or not, contributes to the effective regeneration of East Manchester.
- We will set up a new Business Sponsorship for Sport scheme. This is expected to raise £6 million in its first year to support local and youth sport.

OUR HERITAGE

Public interest and involvement in Britain's heritage has never been greater. We have created in the past decade English Heritage and the National Heritage Memorial Fund to give greater focus and drive to the Government's policies. The National Trust and private owners take a leading part in preserving our almost unrivalled heritage. Government will work in partnership to secure our heritage for the benefit of future generations.

Our cathedrals are among our national glories. We therefore launched the Cathedral Repair Grant Scheme in April 1991, providing £11.5 million over three years.

We have increased, to £12 million, the grant to the NHMF for the purchase of historic properties, objects and collections. The Government also provides help to private owners through English Heritage repair grants, and tax relief in return for commitments on upkeep and public access.

We want to preserve the special character of our old town and city centres. We will encourage councils to ensure that new developments are in character with the past; to maintain buildings of importance to the character of towns and cities; to limit unnecessary street furniture and signs; and to plant trees and preserve historic patterns and open spaces.

- The National Lottery will also provide funds for the preservation of our heritage.
- We will continue to provide substantial financial assistance for the protection and preservation of the heritage.
- Together with the heritage agencies, we will work to make heritage sites accessible to the public.



BROADCASTING

We are proud of our record of extending choice, encouraging new producers and maintaining high standards in broadcasting. We opened the way to the setting-up of Channel 4, independent radio, satellite television and multi-channel cable TV networks. The 1990 Broadcasting Act means that three new independent radio services and a fifth television channel will be set up during the next Parliament.

Over two million homes already receive satellite TV. We have now licensed well over a hundred cable TV networks and this new industry expects to invest £3,000 million over the next five years. In coming years, British viewers will have an increasing choice of channels and programmes. The new and sophisticated cable networks will open the way not

only to new telecommunication services, but also to the spread of emerging technologies such as high definition television.

We attach great importance to the work of the Broadcasting Standards Council, which we set up under the 1990 Act. All television and radio companies accept the need to maintain standards of taste and decency in their treatment of sex and violence and their use of bad language.

The European Community regulates standards in satellite broadcasts originating from each Member State. We were one of the first countries to ratify a new Council of Europe convention applying similar rules to all its Member States. We also, in the Broadcasting Act, brought in sanctions against the transmission of offensive satellite broadcasts from abroad, and made it an offence for advertisers and equipment suppliers to support such programmes.

Independent television producers are benefiting from the requirement put on the BBC and ITV to commission a quarter of all their programmes, excluding the news, from outsiders. There are now great opportunities for independent producers to sell their programmes to new television channels and international markets, and there is much greater choice for viewers as a result.

In 1996, the BBC's Charter comes up for renewal. This will be considered against the background of the much more varied and competitive broadcasting environment which our policies have created. It is important that there should be a wide public debate about the future direction the BBC should take.

- We will back the work of the Broadcasting Standards Council and remain vigilant about ensuring high standards in satellite broadcasts from abroad.
- We will publish a discussion paper on the future of the BBC recognising its special responsibilities for providing public service broadcasting.

A UNITED KINGDOM

The United Kingdom is far greater than the sum of its parts. Over many centuries its nations have worked, and frequently fought, side by side. Together, we have made a unique mark on history. Together, we hold a special place in international affairs. To break up the Union now would diminish our influence for good in the world, just at the time when it is most needed.

Nationalist plans for independence are a recipe for weakness and isolation. Higher taxes and political uncertainty would deter investment and destroy jobs. The costly Labour and Liberal devolution proposals for Scotland and Wales have the same drawbacks. They do not intend to bring about separation, but run that risk. They could feed, but not resolve, grievances that arise in different parts of Britain. They would deprive Scotland and Wales of their rightful seats in the United Kingdom Cabinet, seats the Conservatives are determined to preserve. We believe strongly that we should go on working together in full partnership in a Union that has served every part of the United Kingdom well.

The plans for devolution put forward by the other parties would have a grave impact not just on Scotland and Wales, but also on England. They propose new and costly regional assemblies in England, for which there is no demand. We will oppose all such unnecessary layers of government.

The Union has brought us strength both economically and politically. Yet it has preserved the historic and cultural diversity of our islands. Our constitution is flexible, fair and tolerant. It has made this country one of the best places in which to live, work and bring up our children. These benefits cannot be tossed away lightly. We will fight to preserve the Union, a promise which only the Conservatives can give at this election.

SCOTLAND

Scotland has achieved an economic and cultural regeneration over the past 13 years. The Scottish economy has responded vigorously to the policies we have introduced to liberate enterprise, and many more people are now saving, investing and owning their homes. The public services are better funded and more efficient. There has been a flowering of Scottish culture.

Scotland enjoys a rich and distinct tradition and her own institutions, which we have preserved and strengthened. Scotland has its own framework for the encouragement of enterprise, investment and training; its own education system which continues to excel, with more pupils leaving school better qualified and more going on to further and higher education; its own health budgets which deliver high standards of care; and its own glorious inheritance of buildings and countryside.

A separate Manifesto for Scotland sets out our record in detail and our proposals for building on these achievements. In this document, therefore, we list only a selection.

- Business in Scotland has received a boost from our creation of Scottish Enterprise and the Local Enterprise Companies. We have formed Scottish Trade International to help our exporters, as Locate in Scotland does for inward investors. To assist business further, we will complete the harmonisation of business rates in Scotland with those in the rest of the country.

- The massive bureaucracies and layers of local government have few supporters in Scotland. We will continue to press local authorities to provide the value for money and the quality of services that people expect. We will press ahead with the reform of the current burdensome system of local government by introducing single tier councils throughout Scotland.
- We will continue to strengthen Scotland's education system for the benefit of parents, pupils and teachers. We will respond to the proposals of the Howie Committee to ensure that upper secondary education matches the best in Europe. We will continue to increase the number of places in higher and further education and will complete our reforms of the system.
- We will extend our reforms to improve NHS patient care in Scotland. Scotland has led the way in setting limits to waiting-times for operations and will now be reducing these further.
- We are creating a new body, Scottish Natural Heritage, with overall responsibility for conserving the natural environment. We will go further, and will create a Scottish Environmental Protection Agency to bring together powers to ensure the quality of our air, rivers and bathing waters.



WALES

Since 1979, the economy of Wales has changed spectacularly. With only 5 per cent of the United Kingdom's population, Wales has consistently enjoyed 20 per cent of its inward investment. New industries have sprung up. Self-employment has risen by two-thirds. Welsh manufacturing now has the highest productivity of any part in the United Kingdom.

Land made derelict by old industries has been reclaimed on a massive scale. The Cardiff Bay development and the Ebbw Vale Garden Festival are outstanding examples, together with the Programme for the Valleys.

Since 1979, we have spent more than £3,000 million on roads in Wales. Spending on health has increased by 60 per cent in real terms since 1979. We have spent more than £5 million on our radical Waiting Times Initiative, leading to the treatment of 35,000 extra patients. In school we are spending nearly half as much again, in real terms per pupil, as in 1979. And there has been an enormous expansion in the training budget.

More Welsh homes - 72 per cent - are owned by those who live in them than in the United Kingdom as a whole. Since the 'Right to Buy' was introduced in 1980, we have enabled almost 90,000 council and housing association tenants to buy their own homes.

A separate Manifesto, in both English and Welsh, sets out our full programme for building on these achievements for Wales.

- We will set up a Welsh Economic Council to bring together the various bodies with interests in inward investment, tourism and small business to advise the Secretary of State.
- We aim to remove all significant dereliction from Wales by the end of the new Parliament.
- We will promote the work of the Countryside Council for Wales, in order to protect the countryside and those who earn their livelihood there.
- We will give further resources to our Rural Initiative. And we will continue to support hill farmers through the Hill Livestock Compensatory Allowances.
- We will continue to invest heavily in road improvements, including the second Severn Bridge, completing the M4 in South Wales and the A55 in North Wales.
- We will continue with our record hospital building programme.

- We will continue to offer generous funding for Housing for Wales and concentrate our efforts on the special needs of rural Wales. All major publicly-funded housing developments will make adequate provision for the less well off.
- We will introduce a new Welsh Language Act.
- We will publish a White Paper on local government reform this autumn with a view to establishing unitary authorities, based on the historic counties and county boroughs. We will ensure a full role for Community Councils under these arrangements.

NORTHERN IRELAND

We have upheld our pledge that Northern Ireland will remain an integral part of the United Kingdom in accordance with the democratically expressed wishes of the majority of the people who live there. It is a pledge that only the Conservative and Unionist Party can give. Conservative candidates are standing in our name and in that cause.

Our overriding objective in Northern Ireland is to eliminate the evil of terrorism. This requires progress in four areas: security, economic, social and political. The security forces in Northern Ireland perform their duties with courage and professionalism. They are entitled to expect all the necessary encouragement, and legal and material support from the Government. Under the Conservatives, the strength of the RUC has been increased, while the Emergency Provisions Act 1991 contains new powers to combat terrorist funding.

Northern Ireland is sharing in the economic transformation of the United Kingdom as a result of Conservative policies. Belfast is attracting significant new private investment. Harland and Wolff and Shorts have been successfully privatised. Major work is also under way to regenerate Londonderry and many of Ulster's smaller towns. We will continue to pursue policies to encourage enterprise and bring

new jobs - by contrast with Labour, whose plan for a national minimum wage would hit the Province particularly hard.

In the new Parliament we will continue to seek to re-establish stable institutions of Government in Northern Ireland, so that powers currently exercised by Ministers in the Northern Ireland Office can be returned to locally-elected politicians.

- We will always give the security forces our full backing within the rule of the law, and - against Labour opposition - ensure that they have the special powers they need to protect the whole community from violence.
- We will complete the privatisation of Northern Ireland Electricity, transfer the water and sewage services to the private sector, and examine ways of bringing private sector skills into the management of Northern Ireland Railways.
- We will continue to pursue policies designed to alleviate social needs, to promote equity of treatment and to widen the sense of common purpose which is growing in the Province.
- We will build on the close security co-operation that has been established with the Republic of Ireland under the Anglo-Irish Agreement.
- We will continue to work strenuously for a political agreement which is acceptable to all the parties involved in the talks which the Secretary of State has had during the past year with the main constitutional parties in Northern Ireland and the Government of the Republic of Ireland. They have provided a firm basis for political progress in Ulster, and for building new relationships both between Northern Ireland and the Republic, and in these islands as a whole.

YOUR CHOICE AT THIS ELECTION

This Election is about the future. Your future. Britain's future. Our future role in the world. This is a time to go forward with conviction and confidence, not to go back to the failure and bitter controversies of the past.

It is difficult to remember the Britain we were elected to transform in 1979. The country we did transform.

It was a depressed and divided country, accustomed to failure and suspicious of change.

During the succeeding Parliaments, we have curbed inflation, reformed trade union law, encouraged enterprise, cut taxes, modernised our education and training, improved the management of our health service, given more help to the needy, extended ownership, helped through our vigilance to end the Cold War, widened our influence in Europe, and earned the respect of the world.

A decade of success ended with the problems of recession - a world recession. We know how tough it has been for many but we are poised to move forward again, lacking only the spark of confidence with which a Conservative victory would ignite recovery.



THE CHALLENGE AHEAD

The challenges of the 1990s demand a responsible and sure-footed government which understands the nature of the achievements of the 1980s and is ready to build successfully on them. A government committed to the principles of choice, ownership, responsibility and opportunity; committed to low inflation and low taxes; committed to better quality and value in our public services; committed to strong defences. Labour cannot provide that leadership. They lack experience, principle and vision.

With Socialism everywhere in rout or retreat, it is unclear what the Labour Party stands for. For public consumption, Labour leaders purport to have jettisoned the principles of a life-time. But how much can they be trusted? How genuine is the conversion and what do they actually believe?

It is clear only that Labour would threaten our achievements, undo our reforms and hamstring

Britain. They would turn the clock back to policies that impoverished and divided our country. Socialism here and abroad is the regret of yesterday not the hope of tomorrow.



ONLY THE BEST FOR BRITAIN

We believe that only the best is good enough for Britain, and that the best will only be accomplished if we give the British people the freedom and the opportunity they need to succeed.

We have a new leader, proven in office, and a new agenda - yet a tried set of principles. Those principles reflect our conviction that Britain has done best when the people of Britain have been given the personal incentive to succeed. National success has not been primarily the result of accidents of geography, landscape and natural resources. Nor has it been the result of government action and state control. Success has been won when we have given our people their head: when their natural skills, talents, energy, thrift and inventiveness have been released, not suppressed. That was true when this century began; it is still true as this century draws to its close.

Britain should approach the Millennium with head and spirits high, with a strong economy, with a high standard of living, with generously endowed and well managed public services, and with secure defences. We want Britain to be an example to the world of how a free people can make the very best of their destiny. That prospect is within the grasp of us all. We must now make it happen.

The prize is great, the hope invigorating, the dream attainable. We want, with you, to make the dream a reality. A Conservative Government will help you to achieve the very best. The very best future for Britain.