



Thank Crutley.

Thank the Whip
& leaders of the House

Special word of thanks
& every happiness to John
Wellham

Thank colleagues & their families
for their splendid support

And wish everyone a good success
to return in robust health to fight
~~continue~~ the battles ahead.

I

THE LAST YEAR

1985
22
speech

Gives last year
A season of solid
achievement
Economy.
Attacks the Opposition
below 50%
Growth.

A YEAR AGO I ADDRESSED THE 1922 COMMITTEE ON 19TH

JULY - RECALL THE SITUATION AT THAT TIME

- WE WERE FOUR MONTHS INTO THE COAL STRIKE
- WE WERE IN THE MIDDLE OF A DOCK STRIKE
- INTEREST RATES ^{had just gone up} WERE GOING UP; STERLING
^{was falling} STOOD AT \$1.32 AND WAS GOING DOWN; AT
AN EFFECTIVE RATE OF ABOUT 78
- THE HIGH COURT HAD JUST RULED AGAINST THE
GOVERNMENT IN THE GCHQ CASE.

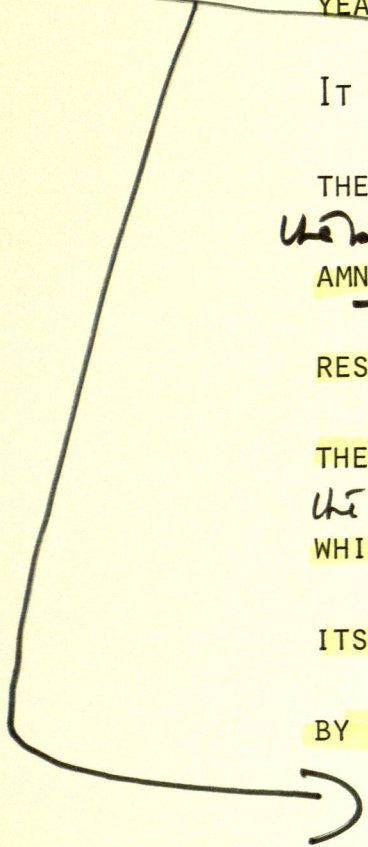
THAT WAS A TIME WHEN THE VERY EXISTENCE OF ~~THE~~ ^{democracy}
~~GOVERNMENT~~ AND THE RULE OF LAW WAS UNDER
CHALLENGE BUT WE GOT THROUGH.

- THE DOCK STRIKE (AND INDEED A SECOND DOCK STRIKE) WERE DEFEATED BY THE DOCKERS THEMSELVES
- INTEREST RATES, ALTHOUGH TOO HIGH HAVE BEGUN TO COME DOWN AND STERLING STANDS AT \$1.41 AND AN EFFECTIVE RATE OF 83.8
- THE COURT OF APPEAL AND THE HOUSE OF LORDS RULED IN FAVOUR OF THE GOVERNMENT IN THE GCHQ CASE
- MOST IMPORTANT OF ALL THE COAL STRIKE WAS DEFEATED. ~~not by the miners~~
~~of the job but by the~~
~~cooperation of the rest of the~~
~~people in this country.~~

SO WE MEET UNDER MUCH BETTER CIRCUMSTANCES THAN A YEAR AGO.

IT IS IMPORTANT TO REMEMBER THAT HOWEVER MUCH THE OPPOSITION WOULD PREFER AN ATTACK OF NATIONAL AMNESIA ABOUT THE COAL STRIKE, IT WAS THE RESOLVE OF THIS GOVERNMENT, THE TENACITY OF THE POLICE, AND THE COURAGE OF THE WORKING MINERS WHICH DEFEATED THE LEADERSHIP OF THE NUM IN ITS ATTEMPT TO IMPOSE ITS WILL ON THE NATION BY VIOLENCE AND INTIMIDATION.

not to let them
the steel workers - the lorry drivers



THIS HAS BEEN A SESSION OF SOLID ACHIEVEMENT.

Session of Solid Achievement 4.

LOCAL GOVERNMENT

- THE BILL TO ABOLISH THE GLC AND THE ^{renewed Royal and} METROPOLITAN COUNCILS HAS BEEN PASSED

DESPITE THE MOST EXPENSIVE AND UNSCRUPULOUS
ADVERTISING CAMPAIGN USING RATEPAYERS MONEY
EVER.

- ALL THE RATECAPPED COUNCILS DESPITE THEIR
~~BLOOD CURDLING~~ THREATS HAVE FALLEN INTO LINE
AND SET A LEGAL RATE.

BOTH ARE VICTORIES WORTH SHOUTING ABOUT.

especially as the tactics
of the Labour who were expected
in some of the council chambers
reading Socialist 5th
~~had a power with the~~
stopped

INDUSTRIAL RELATIONS

(Revised 7/1964)

- GOVERNMENT'S TRADE UNION ACT CAME INTO EFFECT AND TOGETHER WITH OUR OTHER MEASURES IS TRANSFORMING INDUSTRIAL RELATIONS.

APART FROM THE TAIL END OF THE COAL STRIKE THIS YEAR HAS SEEN THE FEWEST STRIKES FOR FIFTY YEARS.

THE CASES OF THE CIVIL SERVICE, LONDON TRANSPORT AND BRITISH LEYLAND HAVE ALL SHOWN THAT THE LAW HAS TEETH.

PRIVATISATION

- THIS YEAR HAS SEEN THE MASSIVELY SUCCESSFUL LAUNCH OF THE BT SHARE ISSUE WHICH PRODUCED 1.7 MILLION SHAREHOLDERS.

THERE WERE ONLY 1.7 MILLION SHAREHOLDERS IN TOTAL IN 1979.

- THE PROGRAMME OF PRIVATISATION REMAINS UNDIMINISHED EG. PETER WALKER'S ANNOUNCEMENT FOR FORTHCOMING PRIVATISATION OF BRITISH GAS CORPORATION.

SOCIAL SECURITY

- THE MOST FAR REACHING REVIEW OF SOCIAL SECURITY PROVISION HAS BEEN CARRIED OUT AND THE RESULTS ANNOUNCED IN A GREEN PAPER.

- ONCE AGAIN THE GOVERNMENT MET IN FULL ITS PLEDGES TO THE PENSIONERS WITH AN UPRATING OF SOCIAL SECURITY PROVISION WORTH £4 A WEEK TO PENSIONERS AND COSTING £2 BILLION IN ALL.

HEALTH

- IN KEEPING WITH OUR PROMISES WE HAVE CONTINUED TO IMPROVE THE NATIONAL HEALTH SERVICE AND THIS YEAR HAS SEEN FURTHER INCREASES IN THE NUMBER OF PATIENTS TREATED; FURTHER REDUCTIONS IN WAITING LISTS; AND A SUBSTANTIAL INCREASE IN PAY FOR NURSES FINANCED WITHOUT A FURTHER CALL ON THE TAXPAYER.

TRANSPORT

A REMARKABLE YEAR FOR TRANSPORT POLICY INCLUDING

- THE RESOLUTION OF THE ISSUE OF LONDON'S THIRD AIRPORT WHICH HAS PLAGUED AVIATION POLICY FOR OVER TWENTY YEARS.

- THE PROSPECTS OF A CHANNEL FIXED LINK FINANCED ENTIRELY BY THE PRIVATE SECTOR HAS COME CLOSER TO REALITY

- THE TRANSPORT BILL ON BUSES, WHICH WILL INTRODUCE MORE COMPETITION AND EFFICIENCY INTO AN AREA PLAGUED BY DECLINING DEMAND AND INCREASING SUBSIDY, HAS ALMOST REACHED THE STATUTE BOOKS.

TAXATION

WE HAVE DONE A LOT, AND WANT TO DO STILL MORE.

THE CHANCELLOR

- INCREASED TAX THRESHOLDS BY A FURTHER 5% OVER AND ABOVE INFLATION
- ABOLISHED YET A FURTHER TAX (THE DEVELOPMENT LAND TAX) MAKING THREE IN ALL SINCE 1983
- COMPLETED THE ABOLITION OF THE NATIONAL INSURANCE SURCHARGE IN OCTOBER 1984, WORTH £900 MILLION TO INDUSTRY
- CONTINUED THE REFORM OF COMPANY TAXATION TOWARDS THE POINT AT WHICH UK WILL HAVE THE LOWEST RATE OF CORPORATION TAX IN THE INDUSTRIAL WORLD.

ECONOMY

THE ECONOMY IS NOW MUCH STRONGER THAN A YEAR AGO.

- EVEN WITH THE COAL STRIKE, THE ECONOMY GREW LAST YEAR BY 2 $\frac{1}{2}$ %, SHOWING ITS UNDERLYING STRENGTH
- GROWTH IN 1985 FORECAST BY THE OECD TO GROW FASTER THAN ANY OTHER EEC ECONOMY
- INVESTMENT HAS REACHED £55 BILLION WITH EVERY PROSPECT OF A FURTHER INCREASE THIS YEAR
- PROFITS INCREASED 25% IN 1984 AND THE RATE OF RETURN WAS AT 12% THE HIGHEST EVER RECORDED. THE RATE ON RETURN IN MANUFACTURING WAS 7% THE HIGHEST SINCE 1973.

ECONOMY CONT

- EXPORTS GREW AT 11% IN VOLUME TERMS LAST
YEAR AND WITH INVISIBLE SURPLUS RUNNING
AT £500 MILLION A MONTH. THANKS TO OUR
OVERSEAS ASSETS WE ARE ON THE WAY TO A
SIXTH SUCCESSIVE YEAR OF CURRENT ACCOUNT
SURPLUS.

OBVIOUSLY THERE WERE PROBLEMS.

INFLATION IS TOO HIGH BUT THERE IS EVERY PROSPECT
OF A FALL IN THE AUTUMN;

INTEREST RATES ARE TOO HIGH BUT THEY WILL BE
KEPT HIGH NOT ONE MOMENT LONGER THAN NECESSARY TO
KEEP INFLATION UNDER CONTROL;

AND UNEMPLOYMENT REMAINS STUBBORNLY HIGH.

ECONOMY CONT

NEVER MAKE FORECASTS BUT THERE ARE SIGNS OF HOPE

EG.

- REASONABLY PROMISING JUNE FIGURES
- 640,000 NEW JOBS CREATED SINCE MARCH

1983

~~ECONOMY CONT~~

Unemployment

GOVERNMENT POLICY ALSO DIRECTED TO REDUCTION OF
UNEMPLOYMENT EG.

- MAJOR INITIATIVE FOR TWO YEAR YTS
WELCOMED EVERYWHERE EXCEPT IN RANKS OF
OPPOSITION
- ENHANCED COMMUNITY PROGRAMME WITH A
100,000 MORE PLACES
- RESTRUCTURING OF NATIONAL INSURANCE
CONTRIBUTIONS TO ENCOURAGE EMPLOYERS TO TAKE
ON MORE PEOPLE
- ONLY YESTERDAY TOM KING'S PLANS FOR RADICAL
FORM OF WAGES COUNCILS.
- AND DAVID YOUNG'S INITIATIVE ON DE-REGULATION
TO HELP JOBS.

NO ONE THAT I HAVE HEARD IS YET OFFERING A BETTER

~~strategy~~
PRESCRIPTION FOR GETTING UNEMPLOYMENT DOWN

- ① THAN TIGHT CONTROL OVER INFLATION, SOUND
- ② ~~financial~~ ^③ INFLATION MANAGEMENT, SECURING COMPETITIVE
- ④ INDUSTRY AND ENCOURAGING ENTERPRISE AND
- ⑤ MAKING IT MORE WORTHWHILE TO FIND WORK.

II. ECONOMIC PROSPECTS

ALL GOVERNMENTS HAVE SUFFERED THE MID-TERM BLUES FOR
THE LAST 30 YEARS.

THE DIFFERENCE BETWEEN NOW AND THE POSITION IN 1972,
1976 AND 1981 IS THAT THE ECONOMY IS FAR STRONGER
THAN IN ANY OF THOSE YEARS TO PROVIDE THE BASIS
FOR A SUCCESSFUL SECOND HALF OF THE
PARLIAMENT.

THE KEY REMAINS

Public Spending

- KEEPING PUBLIC EXPENDITURE UNDER CONTROL

AS CABINET CONFIRMED LAST WEEK.

EVERYONE HAS TO LIVE WITHIN A BUDGET.

FAILURE TO DO SO WOULD BE A CAUSE OF LACK

OF CONFIDENCE WHETHER FOR A BUSINESS, A FAMILY

OR GOVERNMENT.

- WITHIN THAT TOTAL CONTINUING TO ASSERT OUR
PRIORITIES AND TAKING THE CREDIT FOR IT,

THERE IS NOTHING INCONSISTENT WITH HAVING
 EXPENDITURE PRIORITIES WITHIN A FIXED TOTAL.
 INDEED, THAT IS WHAT POLITICS IS ABOUT.

1529 Handwritten

- REDUCING DIRECT TAXATION EXPECIALLY ON THOSE
BELOW AVERAGE EARNINGS.

DID YOU KNOW THAT

- (A) A NURSE ON £140 A WEEK PAYS £40 IN INCOME
 TAX AND NATIONAL INSURANCE
- (B) 40% OF PENSIONERS PAY TAX
- (C) 43% OF THE TOTAL YIELD OF INCOME TAX COMES

FROM THOS WITH INCOMES BELOW AVERAGE MALE
EARNINGS.

13, per week

31% of I.T. come from those whose
wages are below £8.750 - on manual
earnings.
17.

III ATTACK THE OPPOSITION

THEIR POLICIES MUST BE EXPOSED.

- ON UNILATERAL DISARMAMENT, A
TOTALLY IRRESPONSIBLE POLICY, ~~ARE~~
~~THEY UNILATERALIST OR NOT?~~
- ARE THEY FOR NATO OR AGAINST?
BECAUSE THEY CAN'T BOTH BE FOR NATO
AND CLOSE DOWN EVERY AMERICAN NUCLEAR
BASE IN BRITAIN.

- DO THEY CONDEMN, OUTRIGHT, VIOLENCE
 AS A MEANS OF OBTAINING POLITICAL
 AND ECONOMIC ENDS OR DO THEY NOT?
 AND THAT INCLUDES VIOLENCE ON THE
 PICKET LINE AND VIOLENCE IN THE
 COUNCIL CHAMBER.

- ARE THEY FOR HANDING OUT SPECIAL
privileges
 PRIVILEGES TO TRADE UNION BOSSES, *as*
 PREVIOUS LABOUR GOVERNMENTS DID?

to WOULD THEY TRY AND REVERSE OUR TRADE
UNION REFORMS WHICH GIVE MORE POWER TO
 MEMBERS OVER THEIR UNION BOSSES?

to ~~to~~ Would they abolish secret
ballots before strikes

- u*
- WOULD THEY NATIONALISE LARGE SECTIONS OF BRITISH INDUSTRY AND COMMERCE AND DEPRIVE HUNDREDS OF THOUSANDS OF WORKERS OF THEIR NEWLY ACQUIRED SHARES?

- WILL THEY ~~SELL~~ COUNCIL HOUSES, OR *still give tenants the right to buy council houses even* WILL THEY NOT? *tenants in urban left wing Councils.*

- WILL THEY REPEAL OUR IMMIGRATION LAWS? *as they have indicated*

- AND WHAT IS THEIR REAL POLICY TOWARDS THE POLICE? *Why did they*

- AND WILL THEY CONTROL THE INVESTMENT OF PENSION FUNDS? *Control the police on their* *control success nearly 100%* ~~to the state~~

*may attempt anti-
against the very
legislation prevention of
Financial Act which
needs that operation
possible*

- HOW PENAL WILL THEIR TAX INCREASES

BE ON EARNERS AND SAVERS ALIKE? They

have said they want to restore former rates of tax on the rich.

- AND WHAT WOULD THEIR PENSION PROPOSALS

COST THE WORKING POPULATION IN

HIGHER WEEKLY CONTRIBUTIONS?

*L 20,000.
Po his highest married
to a nurse.
An unemployed - married to a
nurse*

Put these points
IF COLLEAGUES ~~POSE THESE QUESTIONS~~ IN COMING

MONTHS, AT EVERY OPPORTUNITY, WITH -

DARE I SAY - ~~THE DILIGENCE AND FREQUENCY~~

~~THAT SOME OF THEM TABLE WRITTEN QUESTIONS,~~

THEY ~~W~~ COULD HAVE A PROFOUND IMPACT

ON THE POLITICAL VIEWS OF THE ELECTORATE.

There are colleagues who have
to betray the interests of
LIBERALS/SDP within coalition

THEY TALK OF BEING AN ANTI-SOCIALIST ALLIANCE,

THEY ARE NOT ANTI-SOCIALIST,

THEY ARE NOT AN ALLIANCE,

(A) THEY HAVE KEPT A LABOUR GOVERNMENT
IN POWER BEFORE AND WOULD DO IT
AGAIN.

(B) THEY CAN'T DECIDE WHO WOULD LEAD THEM
AFTER AN ELECTION;
AND

(C) THEY CAN'T EVEN AGREE ON POLICIES,

They will join us rather than join Labour

IV LIBERALS/SDP

(A) LOOK AT THE RECORD OF THE SDP

- UNDER THE LAST LABOUR GOVERNMENT, DAVID UWEN, (SHIRLEY WILLIAMS AND BILL RODGERS) BACKED SOCIALIST POLICIES WITHOUT COMPLAINT OR QUALIFICATION.
- THEY STRENGTHENED THE CLOSED SHOP AND CRUSHED INDIVIDUAL UNIONISTS' RIGHTS. THEY INCREASED TRADE UNION IMMUNITIES.
- THEY NATIONALISED AIRCRAFT AND SHIPBUILDING
 - AND TRIED TO NATIONALISE BUILDING LAND.
- THEY DESTROYED GRAMMAR SCHOOLS AND DIRECT GRANT SCHOOLS

(c) THEY CALL THEMSELVES AN ALLIANCE - BUT

- THE SDP WANT AN INDEPENDENT NUCLEAR DETERRENT
AND BACKED CRUISE MISSILES.

~~INDEED THEY CLAIMED THEY'D LEFT THE LABOUR~~
~~PARTY TO DO SO.~~

BUT THE LIBERALS OPPOSE OUR INDEPENDENT

NUCLEAR DETERRENT; THE LIBERAL PARTY

HAS CALLED FOR CRUISE TO BE SENT PACKING:

AND THE SCOTTISH LIBERALS WOULD SEND US

BASES BACK TOO.

- THE SDP - OR AT LEAST ITS LEADER - TALKS

OF COMPETITION AND INCENTIVES IN ECONOMIC

POLICY.

THE LIBERALS WOULD SPEND AND INTERVENE WHEREVER

THEY COULD.

V OUR GENERAL PHILOSOPHY AND POLICIES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

WE HAVE ACHIEVED THINGS WHICH, AS THE
1970s PROGRESSED, MOST PEOPLE HAD
GENUINELY THOUGHT WERE IMPOSSIBLE -
ECONOMICALLY IMPOSSIBLE AND POLITICALLY
IMPOSSIBLE,"

AND YET LOOK AT WHAT WE HAVE ACHIEVED:-

- CONTROLLED THE TRADE UNIONS AND
SCARGILLISM
- BROUGHT INFLATION DOWN BY THE FREE
MARKET
- DE-NATIONALISED MORE COMPANIES THAN
EVER BEFORE WITH THE BIGGEST FLOTATION
EITHER SIDE OF THE ATLANTIC (BT)
- REVERSED THE DECLINE IN INDIVIDUAL
SHARE OWNERSHIP
- EXTENDED HOME OWNERSHIP
- UNDERTAKEN THE MOST FUNDAMENTAL REVIEW
OF SOCIAL SECURITY SINCE BEVERAGE
- MADE BIG REDUCTIONS IN INCOME TAX
- RESTORED CONFIDENCE IN DEFENCE AND
THE MORALE AND EFFICIENCY OF THE POLICE.

BUT AS TIME PASSES, INSTEAD OF BEING SEEN AS
DESIRABLE BUT "IMPOSSIBLE" THEY ARE
BECOMING AN ACCEPTED FEATURE OF THE
POLITICAL LANDSCAPE - THE NEW
CONVENTIONAL WISDOM.

Hygo Young.

~~THE RESULT?~~

~~PEOPLE QUICKLY FORGET HOW THEY WERE
OBTAINED IN THE TEETH OF OPPOSITION
FROM SOME OF THOSE WHO NOW CLAIM TO
SUPPORT THEM.~~

People think they might be able to vote for
another party and yet keep all these things.

~~BUT WHAT WE HAVE DONE SO FAR IS BY NO MEANS~~

~~COMPLETE.~~

We must disillusion them. ~~They~~ That's why
we must explain them all

Their policies would put the whole system
back to and will because of the interests
~~of the other parties + of the~~ working in the world.

~~It is the job of this party which are~~
~~the Party of the future.~~ 30.

The Orders - on policies are clear

WE NEED MORE TRADE UNION REFORM, A FURTHER

~~BONFIRE~~ OF CONTROLS, A LOT MORE

~~PRIVATISATION~~ (BA, BAA, BL, BRITISH

~~GAS~~), REFORM OF LOCAL GOVERNMENT

~~FINANCE AND RATES~~, AND FURTHER CUTS IN

~~INCOME TAX~~, LEGISLATION ON NORMAN

~~FOWLER'S PROPOSALS~~, ^{legislation} ON WAGES COUNCILS,

AND ON ~~PUBLIC ORDER~~, WHICH WILL ALSO

TAKE FORWARD THE GOVERNMENT'S PLANS

FOR DEALING WITH FOOTBALL HOOLIGANISM.

YES, WE HAVE GOT TO BE ~~RADICAL~~ SO THAT THE

PEOPLE KNOW THIS GOVERNMENT IS

STILL IN BUSINESS. ^{Parties concerned}

no regret if they run out of steam of
high energy. When it comes to a election

opinion

People want a clear lead and a government that shows the way ahead, w

That is what we are — a government & party with clear policies

AND ONE CONSISTENT THEME WHICH RUNS THROUGH ALMOST ALL OF THESE POLICIES IS TAKING POWER AWAY FROM THE STATE AND GIVING THE INDIVIDUAL MORE FREEDOM AND MORE OWNERSHIP.

~~THIS COUNTRY HAS A LOT GOING FOR IT.~~

This ~~is~~ goal of this Party of the Future. — A.C. 4500000