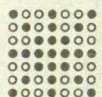


Introduction

1. My first words must be of gratitude to those who organized this conference and ^{looked after} our security, bringing us safely to this great mass meeting.

There are many here today who bear the scars of injury and bereavement inflicted by terrorists when ^{last year} they strolled in the hours of darkness. They remind us of the risks we take and will continue to take for real freedom.

And I should like to say a word about our friend colleague John Gunner whose ^{tireless} dedication in those ^{unlucky} hours and ~~hours~~ for many days afterwards ~~involved~~ ^{And Perry looked after me all the way.} ~~involved~~ ^{unwield} admiration. We thank him ~~for~~ for his years of chairmanship of



2

Our party for his unflinching sense of duty and loyalty and wish him well in his new work as a member of our Ministerial team.

2. This ten years ago more I just addressed the conference as leader.

Same city

Same hall

Same platform

But much else has changed. I had to.

Earlier administrations had to often justify to Laetitia the red problems that afflicted us - then known as The British Disease. The

question they asked was 'will the medicine last all right' - not will it work.

So all efforts were bent to ~~avoid~~ find a way of avoiding difficult problems rather than to confront them.

3. You will recall that in the wake of our second election 1974 the main question was - not could Conservative govern well? But could Conservative govern at all, a question



which went to the very foundations
of democracy

WHAT WE COULDN'T DO - BUT DID

I remember it well. There was some
cynical soft ~~concern~~ ^{concerned} consensus that

You couldn't reform the Parliament -
then leaders would be us

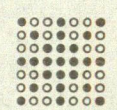
So we did it.

You couldn't stand up to a coal strike
you'd be beaten

So we did - and we won.

You couldn't do without a rigid price
control policy
decided by the leader & CBI, the leader &
the D.I.C. and the leader's order of force
- the big balance
~~the~~ behind closed doors.

So we did.



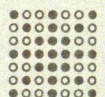
You could do without exchange rates
So we did

You could have laws to in favour of
consumer interests to let the purchase their
homes - because that would be interference
with total authoritarian
So we did.

You could devalue some of the
revalued industries - let down price
their employees reduce to by workers
So we did.

You could really tackle inflation
~~keep down the deficit~~ - ~~manage the~~ -
~~because~~ put the national finances on a sound
footing.
So we did

You could really run policies to ~~control~~
to stimulate country to be competitive
- ~~people~~ to ~~to~~ produce
- ~~of~~ ~~the~~ ~~country~~ - ~~and~~
- ~~for~~ ~~to~~ ~~do~~
So we did



You could reduce petrol rates by
less or less on ranges where
it ~~is~~ surcharges 2-10%

So we did

~~All these~~

~~All these are stopping achievements~~

Within 6 1/2 years - the ~~whole structure~~

~~Fast~~

~~has stopped~~

which had been dismantled
billion down.

Industrial post removal of subsidies
has

~~Industrial profits~~

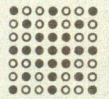
Output

which remains produce no
than ever before

~~State~~ proud orner's group.

Overseas investment has multiplied
more than 6 fold and now means
us an extra annual income of

2.5 billion - a year
a £100 per family.



New business startups.

- In first time in our history
no. of visitors - Britain passport has
needed 1 million.

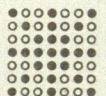
New jobs being needed faster in Britain than
in the rest of the EC put together.

Raising income Tax down further
to 3 main objectives
(N.I.S. Savings Income Surcharge
Development had Tax)

WHAT BINDS THEM ALL TOGETHER

~~but~~ And I could go on...

The danger is that some people assume
they can ~~to~~ keep all their benefits
~~what have emerged for justice~~
and at the same time ~~have~~ have
what is ~~the~~ relation, and ~~not~~ large
budget deficits that could ~~be~~
unemployment. I do not believe that Keynes
to be sure that we would share this view



JOB CREATION

①

But perhaps more money would not increase output - it would increase prices, reduce international competitiveness, ^{and so on} get more people doing jobs - but not doing them very well, all commerce and all those who work within it.

We have to struggle to get it down further to meet the 2% of GNP, the best.

Japan shows goods find ready markets across Europe.

~~The level of employment~~

Job creation is founded on the success of British industry, commerce and all our

politics ~~have been designed to~~ free trading of M.I.S. to cutting controls and ~~business~~

pulling down limits on people's profits have been designed to help. Why is it that

~~increased~~ ~~business~~ ~~and~~ ~~is~~ ~~included~~

More jobs are being created, more business are

being

born - ~~and~~ ~~many~~ young people ~~are~~ ~~starting~~ ~~up~~ ~~on~~ ~~their~~ ~~own~~ ~~labels~~ ~~in~~ ~~the~~

Start up on their own - look at the fashion world

~~at the names in the top ten news, and the top ten small business~~

~~entertainment world & you will find their labels~~

~~could be British, many nobody buying but package abroad.~~

~~names at the top. You are important because~~

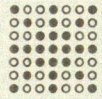
~~about 10% of the market is very important.~~

~~there are new jobs being created but labels like~~

~~Victoria's who has been part of~~

The British Council

the new Teaching English world-wide revolution.



unemployed.

~~You are important because~~

~~Job creation is the only way to solve~~

~~unemployment~~

Europe's biggest difficulty is in providing sufficient new jobs to prevent unemployment rising. It is no small task.

Here the no. of young people in the age group 16-24 has gone up from about 7 million in the late 1970's to well over 8 million today (? 8 1/2 m?)

It will fall to about 6 million in the mid 1990's.

~~The countries to whom we need to sell our goods depend on jobs now made then themselves up to can start a dialogue with better jobs.~~

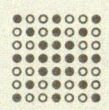
~~They do not~~

~~know any~~

~~Countries far away who have no export state, have no export revenue~~

Countries far away who know nothing of a welfare state, a health & safety act, have had millions of people producing things to us like the very goods we used to produce in the engineering shops of the West Midlands, the leather factories of Lancashire the shipyards of the Clyde & Tyne.

As if this weren't enough we



are in the market of a new round of
innovation - the computers & the new-ships.

~~So we may agree that our problems
But why has the United States found it
easier to adjust a credit more than Europe?~~

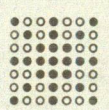
~~Question~~

Why have we been slower to adjust
to these things than the United States - or Japan?

~~We had put so much capital into
our old heavy industries that we do not
maintain the same level of adjustment.~~

~~So much capital had gone into our
traditions in~~

~~The United States where we tend to work
for the reproduction of British industry - we
must not seek to shield the industry of a
bygone age. ~~Now can we slowly adjust~~
~~Now can we~~ ~~Now must be that the~~
set standards of life we can't earn in
the market place of the world. ~~It is not a thing~~
in decline. ~~As consumers we choose an~~
value we have to apply the same
As consumers we ~~by~~ choose value for
money - as producers we must do the same.~~



A job creating culture means the own
 goal - a culture which gives higher
 status to the man & woman who set
 up new business, who create jobs. A culture
 where entrepreneurs & engineers are honored
 as much as administrators ~~and~~
~~and~~ A culture - an education ~~that~~ ~~what~~
~~teaches~~ that we need ^{more} ¹ ~~what~~ ~~beliefs~~ whose
 people believe their role is to create jobs
 for others, not require others to create
 jobs for them.

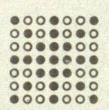
~~In the meantime.~~

~~In the meantime =~~

But we cannot just leave it at that.

David Young was the creator of the

Young British Scene - now to be extended
 for 40 years. It is an ^{excellent} ^{education} ~~good~~ ~~scene~~ - I
 have seen it at work in Glasgow, Chester
 Wrexham, Loughborough, Cornwall. Young people
 hand-making - every time an employer would



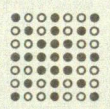
with.

~~But~~ I don't have to tell you about his other plans. And we must train our young people. It is clear that in the market of unemployment, there is a shortage of skilled people for some jobs. And we must look at nothing: it is no use having unemployed holidays & education in the one ~~to be~~ ~~but~~ ~~able~~ ~~to~~ ~~let~~ ~~them~~ ~~in~~ ~~the~~ plan. We must be able to let them in another.

~~However is that~~

And I think I can see what could take to follow you on people. Mr. Chairman (David Feldman) and that of John like Peter Drenner and ~~carry out~~ ~~some~~ ~~reporting~~ a rigorous examination of everything they try to see if it could be made better made in Britain.

We shall only work that matter. We ~~are not going to~~ ~~and~~ ~~could~~ ~~the~~ ~~by~~ ~~organise~~ ~~in~~ ~~if~~ ~~any~~ ~~employer~~ ~~&~~ ~~employer~~ ~~and~~ ~~college~~ ~~&~~ ~~education~~ ~~plans~~ does it let to help.



~~After Introduction~~

Insert ①

I remember the meeting so well
I made clear from the outset
that it was no part of my mission
as leader of this Party's business
to preside supinely over the continuing
decline of Britain; over the decline
of international esteem, over the
decline of independent spirit.

~~I made no such
having said~~

~~I made clear that~~

~~was~~

That it was no part of my policy
to perpetuate Socialism by proxy.
~~the~~



Present & Future Tasks

But we want to look forward - not back. There is still much to do.

A One thing cannot change - the unremitting battle against inflation

A few months ago it seemed that our precious achievement of much lower inflation was slipping away. Government borrowing had gone up by more than £200m as a result of the last winter.

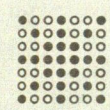
~~Immediately~~, forewarned by lower confidence, the pound fell and prices started rising. We

could find a ~~steady~~ inflation of 6% - ~~and~~ but it was a salutary warning ~~of~~ and one of which the

For a few weeks complaints about the cost of living led my political correspondents.

~~The inflationists - those who~~
~~For a few weeks complaints about the cost of living~~

inflationists
should
take
heed.



~~don't give it all to 2~~

B Despite criticism on spending, we've
been fairly good.

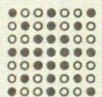
Through the recession over the years since
we have done better than other countries
in maintaining welfare programmes

[Look at spend 2 years ago -
increasing but - clearly there
delayed increases in pension,
private insurance hospital charges
etc.]

The health service has been able
not to collapse. ~~It is~~

Re B There are real problems about
how to pay for social security in
the future: There will be more
pensioners also here when the
population of working age will fall.

Norah John has told you
of her review. Good evening



~~We have to provide now for local
growth & transfer of the balance.~~

~~To face the problem is to enhance
security, to run away is to breed
uncertainty.~~

It is dishonest to pretend there
is no problem. Let us more to
recognise there is a problem than
refuse to do anything about it.

The legislation to implement the reforms
will come forward this coming session
and should be complete by the end of
July next year.

The matter of local authorities' roles
will later hold longer, ~~but~~ especially
as we are considering the whole
structure of local government finance.

It is so complicated that only a
few members or ~~the~~ the Finance Committee



~~↳ direction~~

fully understand it. It has been admitted
to the first law of nature

Every anomaly requires a remedy
but if it needs too many
anomalies.

Some of the amendments to the Constitution are being
written a day called when the
amendment had to stop. It will require
further on their part to complete it
Johnson - the part of the Constitution
not to start the network of legislation
again. I want that to be the
forthcoming. The Green Paper is due out
about the time of the year.



~~Lectures is not a major focus of ^{course} ~~study~~~~

~~As you know~~

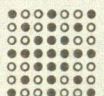
So often there have been disputes about the
precise definition of a teacher club, school
needs, seeing parents, extra activities that it
seems crucially feasible and reasonable to
set them down upon them. And as close
all we want to raise standards in education,
it is wise to introduce a system which
will pay better teachers more. In that respect

£1.250 million of money has been pledged
in what may over and above the annual incomes
~~be~~ The negotiators are broken because
Government is not the employer but local
authorities and so we cannot communicate
directly with every teacher. (Varese - will finish
when I have result due on Oct 4th)
Go back to previous page at X

After - different. Please

Copy those sentences marked in yellow on 7
(2 pages).

And then add sentence - Talk of parents



Choice and appeal committees sound pretty
lousy to parents who in reality only have
equally bad schools for their to choose.

And then should happen at ~~all~~ in any
school in ~~the~~ Great Britain is disturbing. But
~~to have~~ ~~been~~ ~~of~~ ~~it~~ there are concerned parents
across the country who have felt their
worries are ignored and because of intervention have
found it hard to let their children be taught.

Added to that, some teachers have to
deal with highly difficult & disruptive pupils
making their tasks impossible and unmanageable.
However ~~they do not~~ when they take
disciplinary measures they ~~do~~ do not always
receive the backing for the 20% which they
deserve.

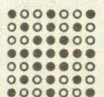
There is hope. Headteachers, teachers and
parents are reaching out — Our schools are
for teaching & learning and to set standards
which may last a lifetime.



I always think of what ~~was~~ a
happened in ~~Sulu~~ ~~stang~~ ~~ore~~ ~~of~~ ~~Sulu~~ ~~stories~~
said

"
Copy ~~to~~ 2 (marked as yellow)

"I would --- --- back.



Opposition Politics

Now this week you've had a
great deal to say about the situation
(We have good sound policies which need backing)

And I'm very pleased you have. But

PR. is no substitute for policy.

So let's have a look at the policy
of the Labour party, - at what Labour
plans for Britain. They want to

- ① Scrapping our T. U. and S. unions
Repealing laws imposed on us
during the 20th century

Universal ^{Britain's} ~~Knowledge of~~ ^{Political} ~~Industrial~~ ^{and} ~~Power~~

They want power for a ~~few~~ ^{few} ~~to~~ ^{to} ~~work~~ ^{work}. ~~we~~ ^{we} ~~want~~ ^{want} ~~power~~ ^{power}
to the ~~ordinary~~ ^{ordinary} ~~worker~~ ^{worker}.

- ② ~~To~~ ^{to} ~~penetrate~~ ^{penetrate} ~~the~~ ^{the} ~~world~~ ^{world} ~~and~~ ^{and} ~~bring~~ ^{bring} ~~new~~ ^{new} ~~ideas~~ ^{ideas} ~~and~~ ^{and} ~~methods~~ ^{methods} ~~of~~ ^{of} ~~production~~ ^{production} ~~and~~ ^{and} ~~distribution~~ ^{distribution} ~~of~~ ^{of} ~~goods~~ ^{goods} ~~and~~ ^{and} ~~services~~ ^{services} ~~and~~ ^{and} ~~even~~ ^{even} ~~though~~ ^{though} ~~they~~ ^{they} ~~will~~ ^{will} ~~scarcely~~ ^{scarcely} ~~regard~~ ^{regard} ~~the~~ ^{the} ~~people's~~ ^{people's} ~~opportunities~~ ^{opportunities} ~~for~~ ^{for} ~~the~~ ^{the} ~~newly~~ ^{newly} ~~acquired~~ ^{acquired} ~~shares~~ ^{shares} ~~of~~ ^{of} ~~employees~~ ^{employees} ~~to~~ ^{to} ~~share~~ ^{share} ~~ownership~~ ^{ownership} ~~of~~ ^{of} ~~enterprises~~ ^{enterprises}.

No right to buy your own Council
House. ~~But~~ ^{But} ~~the~~ ^{the} ~~British~~ ^{British} ~~Council~~ ^{Council} ~~is~~ ^{is} ~~left~~ ^{left} ~~to~~ ^{to} ~~the~~ ^{the} ~~back~~ ^{back}
The British Council Council. Councils

Teaching English world-wide like ~~has~~ ^{has} ~~been~~ ^{been} ~~done~~ ^{done} ~~in~~ ⁱⁿ ~~the~~ ^{the} ~~USA~~ ^{USA},
Wales, Canada

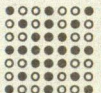
Our opponents don't
believe in ~~private~~ ^{private}
ownership. They don't
like to see people becoming
independent.

(3) To divert ^{overseas} funds of ~~reserves~~ ~~of~~ ~~reserves~~ fund money. ^{called about 12m marks} ~~is~~ ~~no~~ longer is investment to be for the ~~future~~ benefit of the reserves but for the ~~future~~ benefit of ~~the~~ ~~country~~.

(4) ~~Capital~~ ~~flow~~ ~~to~~ ~~overseas~~. ~~It~~ ~~would~~ ~~be~~ ~~leading~~ ~~to~~ ~~heavy~~ ~~loss~~ ~~of~~ ~~overseas~~ ~~investments~~ ~~and~~ ~~some~~ ~~have~~ ~~far-reaching~~ ~~consequences~~ ~~for~~ ~~the~~ ~~value~~ ~~of~~ ~~the~~ ~~country's~~ ~~net~~ ~~worth~~ ~~and~~ ~~the~~ ~~value~~ ~~of~~ ~~the~~ ~~country's~~ ~~reserves~~.

(5) The usual wish, mark of higher taxes, higher borrowing, more spending.

~~An~~ ~~Chairman~~ ~~of~~ ~~the~~ ~~Bank~~ ~~of~~ ~~England~~ ~~says~~ ~~that~~ ~~there~~ ~~is~~ ~~no~~ ~~such~~ ~~thing~~ ~~as~~ ~~government~~ ~~money~~. ~~There~~ ~~is~~ ~~only~~ ~~your~~ ~~money~~. ~~The~~ ~~money~~ ~~of~~ ~~our~~ ~~country~~ ~~is~~ ~~not~~ ~~to~~ ~~be~~ ~~used~~ ~~to~~ ~~buy~~ ~~foreign~~ ~~currency~~ ~~to~~ ~~lend~~ ~~to~~ ~~foreign~~ ~~countries~~ ~~to~~ ~~buy~~ ~~our~~ ~~country's~~ ~~goods~~ ~~and~~ ~~services~~.



who bear the cost of government.

~~If it should be no part of government policy~~
The need to be firm on public
~~the government will do its best to minimize~~
spending to be fair to the taxpayers.
~~the time taken.~~ ~~for government to be efficient~~

(6) ~~As with their own or spending their money~~
I do admire our own nuclear defence &
~~to leave the world less~~
than out all American nuclear tests.

~~of course we all have to pay of our tax~~
Castro ~~ought to help~~ ~~was devoted~~
~~towards the~~ ~~resources~~ ~~the~~ ~~Indian~~ ~~needs~~
was claimed for fighting to keep the nuclear
~~it in the people's~~ ~~of~~ ~~enterprise~~
~~is~~ ~~delivered~~; ~~the~~ ~~new~~ ~~technology~~ ~~is~~ ~~for~~ ~~is~~
~~is~~ ~~trying~~ ~~to~~ ~~get~~ ~~rid~~ ~~of~~ ~~it~~. ~~What~~ ~~interest~~ ~~was~~
~~to~~ ~~be~~ ~~so~~ ~~much~~ ~~to~~ ~~you~~ ~~after~~ ~~to~~ ~~it~~.
~~to~~ ~~be~~ ~~in~~ ~~that~~ ~~had~~ ~~an~~ ~~all~~ ~~the~~ ~~help~~ ~~in~~ ~~part~~
has moved in the last few years.

These policies are worse than those of
the last decade. They put the clock
of inflation ^{at 27%} ~~when~~ ~~money~~ ~~held~~ ~~its~~ ~~value~~
~~money~~ ~~held~~ ~~its~~ ~~value~~ ~~away~~ ~~to~~ ~~6~~ ~~years.~~ ~~It~~
by social contract ~~when~~ ~~money~~ ~~held~~ ~~its~~
value up 4-5 years, back to where
Congress thought that was high. Scarborough
Lee Harvey and most other disgruntled Members
of the High Lords is the driving force behind it
the chillers in the house and other
and the Public Body, the Parliament.



We haven't got any of those in our
Tony ranks and if we had - we wouldn't
nearly care for them - we'd expel them!

~~But not because it's the moderate who leave
that party~~

And as for the SDP - we have much to
learn about principle. But what if they
would have left the Labour party if it
had won the 1979 election? They'd still be
round the Labour like ^{modernising} ~~the party~~ policies that
~~we say they deserve~~ support to deserve.



In President, Government grant, the
strength of a united nation
reside in the inherent authority of
the family, the church, the church and the
great ~~natural~~ ^{social} institutions.

It is when that authority is
weakened that nations turn to
the power of the state.

~~It is when that the power of the state is
the dignity of the individual declines.~~

~~Our nation - character of freedom was
not based upon what of ~~was~~~~

Our national character was not ~~based~~ ^{founded}
on the all embracing power of the state, ~~as~~
~~on the power of a man carrying it with~~
~~with~~ ~~power~~ ~~was~~ ~~founded~~ ~~on~~ ~~under~~
with ~~the~~ ~~law~~, ~~ordered~~ ~~freedom~~
with the law.

10 DOWNING STREET

We are often lectured about
Comparison, and prosperity as it then were
some conflict between the two. Nothing could
be further from the truth. You cannot have
good ^{public} ~~social~~ ^{rules} ~~without~~ a governing ^{power} ~~rules~~
to pay for it. In fact you have
Teddy Roosevelt said - ~~it is better to be on one's feet~~
be evident to everyone that ~~there is no~~ ^{there is no} ~~progress~~
before any one can get any kind of good.
And in the common view for



10 DOWNING STREET

THE PRIME MINISTER

The many policies we have set out
 which we have been pursuing are absolutely more
 than ~~concerned~~ ~~or restricted~~ material things
 Home ownership, lower personal tax, own personal funds,
 share ownership - all all ways of fulfilling
 that deeper human need
 of providing security for one's family
 being responsible for the
 and being able to pass on to the
 next generation

Principles - ^{ways} ~~ways~~ ~~means~~ ~~are~~ ~~not~~
~~the~~ ~~economic~~ ~~policy~~ of ~~expanding~~
 to show individual ~~independence~~
 they are ~~independent~~ to ~~decide~~ to ~~build~~ ~~under~~
 a ~~basis~~ to ~~provide~~ ~~for~~ ~~others~~.
 Any ~~or~~ ~~ways~~ of ~~provision~~ ~~to~~ ~~us~~
~~our~~ ~~needs~~

~~Key~~ ~~level~~ ~~below~~ ~~can~~ ~~say~~ ~~to~~ ~~make~~ ~~sure~~ ~~that~~
 makers of trade unions can ~~exercise~~ ~~responsibility~~
 for the ~~decisions~~ ~~of~~ ~~the~~ ~~unions~~ - ~~that~~ ~~way~~ ~~the~~ ~~dead~~
~~hand~~ ~~might~~ ~~can~~ ~~meet~~