

J.W

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FREEDOM AND STRENGTH

The polls show that most people think of the Conservatives as the party of strong defence and strong enforcement of law. This is not surprising. The surprise is that the same polls show many people thinking of Labour as the party which favours the freedom of the individual.

Why should anyone think of Labour as the party of freedom? Certainly not because Labour wish to make the individual more independent: the Labour Manifesto promises to abolish the right of council tenants to buy their own homes. Nor because Labour wish to give the individual more choice: the Labour manifesto promises to restrict the individual's right to choose to spend his own money on health and education.

Is the reason, then, that people have identified freedom with 'permissiveness'? Labour are, after all, the permissive party—the party whose members have constantly supported the fads and fashions of the 1960s, and who have objected to traditional ideas about defence and public order.

But freedom cannot exist without adequate defence and firm insistence on public order. Citizens are not free when they are at the mercy of foreign aggressors; nor are the elderly and the infirm free when they are at the mercy of thugs and 'muggers'. One can live one's own life in freedom only when one is protected from enemies and aggressors at home and abroad. Conservatives know this. Unlike Labour, we insist on strength because we believe in the freedom that only strength can provide.

**Conservative
Research
Department**



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1. TAX AND THE ALLIANCE

Bad News for Taxpayers

The Alliance Manifesto deliberately proposes a substantial increase in the burden of income tax. This will be brought about in two ways:

1. 'Phasing out the married man's extra tax allowance over a period of three years'. This would mean reducing the married tax allowance to the same level as the single allowance which would, as a recent Parliamentary Answer shows, **increase the burden of income tax by £3,600 million a year.**
2. 'Not fully indexing personal tax allowances'. This proposal is explained in the SDP Policy Paper entitled *Poverty, Taxation and Social Security*, which has been adopted in full in the Alliance Manifesto. The Paper states that 'personal tax allowances should not be adjusted to allow for the next 10 per cent of inflation'. This would **increase the burden of income tax by about £1,600 million a year.**

In short, adding these two proposals together, the Alliance is planning to **raise a full £5 billion a year from income tax.** No other Party has openly threatened the electorate on such a scale.

How the Ordinary Taxpayer is Affected

These proposals would have a dramatic effect on the ordinary taxpayer. Under the present arrangements for tax allowances, a married man (with or without children) does not pay tax on the first £2,795 of his income. Under the Alliance's plan, however, such a man would pay tax on all but the first £1,630 of his income. He would, in other words, be taxed on an additional £1,165. At the same time, increases in taxation would be faced by single people and people over 65:

Personal Tax Allowances 1983-4

	Conservative (actual) £	Alliance (assumed) £	Difference
Single	1,785	1,630	- £155
Married	2,795	1,630	-£1,165
Age Allowance (Single)	2,360	2,155	- £205
Age Allowance (Married)	3,755	2,155	-£1,600

Note 1. The age allowance is the tax allowance available to people aged 65 and over.

Note 2. The Table assumes that, under the Alliance plan, tax allowances would have been raised in 1983-4 by 10 percentage points less than the actual increase (i.e., by 4 per cent rather than by 14 per cent) and the married tax allowance abolished.

When a person pays tax on an increased part of his income, his total tax bill naturally rises. The Alliance's proposals to diminish tax allowances would therefore significantly increase the amount of tax paid by the ordinary basic rate taxpayer:

Extra Income Tax per Week

Single taxpayer	+£0.89
Married couple (with or without children)	+£6.72
Single taxpayer over 65	+£1.18
Married couple over 65	+£9.23

These figures tally with such information as is provided by the SDP Policy Paper. Unfortunately, the paper does not give precise estimates of the effect on most categories of taxpayers; but it states that the tax on a married couple earning £120 per week would increase from £19.88 to £26.73—a rise of £6.85 per week. This is in line with the sum given above.

Policy Implications

Increasing Income Tax. Conservatives believe that high taxation reduces the taxpayer's incentive to earn more and his personal independence. Furthermore, income tax falls on such low levels of income that it is being paid by large numbers of poor people, who ought to be exempt entirely. The Child Poverty Action Group agrees that:

'Over the past 15 years taxation has become a major cause of poverty [because] successive governments have allowed the tax threshold to fall, so many more poor families are paying tax' (Poverty Briefing, May 1983).

Under the present Conservative Government, tax allowances have been raised in real value by over 5 per cent and the Conservative Manifesto promises that further improvements will be given a 'high priority' in the next Parliament. This is a responsible and socially beneficial programme.

By contrast, the Alliance is proposing to increase income tax for everyone, including the low-paid. This is exactly the opposite of what is needed. Even in *New Society* it was pointed out that the Alliance proposals would:

'simply draw more low-income workers into the tax net, and deeper into the poverty trap. This way the poor would pay' (26th May 1983).

Using the Revenue. The Alliance is planning to use the extra income tax revenue of £5 billion to re-arrange the social security system.

The main proposal is to replace many means-tested benefits such as supplementary benefits, rent rebates and allowances, rate rebates and family income supplement with one new benefit. This would be called the 'basic benefit' and would be means-tested, so that someone would be entitled to less of it as his income rose.

This new 'basic benefit' is designed partly to give more money to families with children, pensioners on small incomes and the low-paid. Yet the present Government has already raised pensions and tax allowances ahead of inflation and child benefit is shortly rising to its highest ever level—all this has been done without a great upheaval in the tax and social security systems.

The Alliance also hopes that its proposals would abolish the 'poverty trap' (i.e., the situation in which someone in work is little or no better-off as a result of a rise in income). But the Alliance scheme would in fact make this 'trap' worse (see *Daily Notes* No. 3, p.35).

2. THE ALLIANCE: PROFLIGATE PUBLIC SPENDING

Though they promise less than the 100 costable and 77 unquantifiable Labour pledges, the Alliance's spending proposals are *not* moderate or reasonable, let alone—as they would like us all to believe—basically prudent and conservative. They are *in the same preposterous and profligate league as Labour's*. While Labour's full costable pledges would take us into the £30-£43 billion a year zone by the end of five years, the Alliance's proposals—which we cost roughly at **£20 billion a year** on a continuing basis once they have built up—are scarcely any better.

3. VOTING FOR THE ALLIANCE COULD LET IN LABOUR

The Alliance's one hope of gaining a substantial number of seats in the next Parliament is to win in Conservative-held seats. A BBC *'Newsnight'* analysis of the 100 seats most vulnerable to the Alliance shows that 80 are Conservative seats. Mr Alan Beith, Liberal Chief Whip in the last Parliament, admitted at the Alliance press conference on 1st June that he recognised Labour had a 'solid bottom line' of seats (which by implication the Alliance would not be able to penetrate).

Some people might vote Liberal/SDP imagining that this would simply reduce a Conservative majority. In reality, it would damage or destroy the chances of a Conservative victory; and it could all too easily let Labour in. In 1964 and 1974 people who voted Liberal found themselves with a Socialist government.

The only guarantee of keeping Mr Foot out is to vote Conservative on June 9th.

4. CONSERVATIVE CONCERN FOR WOMEN

Labour have attempted to persuade the public that Conservatives do not care about giving women a fair deal. This myth was exploded by **Baroness Young** in a talk given on 27th May.

Lady Young unequivocally affirmed the Conservative Party's support for the principle of equal opportunity and freedom for women:

'The Conservative Party believes in equal opportunities for men and women; it believes in freedom and in particular in freedom of choice. To ensure equal opportunities, the Conservative Party supports the Sex Discrimination and Equal Pay Acts. Conservatives do not believe that the State should—except at times of national emergency such as war—interfere with a woman's decision either to have a career outside the home or to stay at home.'

She made it clear that Conservatives recognise the invaluable role played by women at work. She emphasised the importance of providing women with equal opportunities for suitable work and for the training and education that enables them to find such work.

'The Conservative Party will continue to strive to ensure that women have not only equality under the law, but equal educational and training opportunities, and equal opportunities at work. This is particularly important for a country like Britain which has one of the highest proportion of women in work in any country in the EEC.'

Lady Young also stressed the importance of the woman's role at home:

'Conservatives believe that the work women do in bringing up children should not be undervalued simply because it is not paid. Bringing up children means taking responsibility for the lives of others; organising the life of a family; taking decisions quickly. The years devoted to this work should never be considered wasted years.'

These Conservative statements about women are not mere pious hopes. The Conservative Government has not appointed a Minister for Women, as Mr Foot has promised to do in the form of Miss Joan Lestor. It has, however, acted with energy and determination to improve the lot of women.

Steps have been taken to improve education and training for women. The Manpower Services Commission has introduced special training courses for women. For the first time ever, the Government has issued full guidance on the school curriculum, insisting upon a proper 'core' curriculum (including maths and science) for girls and boys up to school leaving age. And our 1980 Education Act compels schools to provide proper information about their curricula, enabling parents to ensure that girls have proper opportunities at school.

In addition, we have begun to bring about important changes in employment legislation. Our 1980 Employment Act has allowed pregnant women to take time off work in order to visit ante-natal clinics; and we are pledged to amend the Equal Pay Act 1970, to ensure equal pay for work of equal value.

Changes in pay are to be matched by investigation of the taxation system: in December 1980, the Government took the first step in the direction of a fairer income tax, by publishing a Green Paper entitled *The Taxation of Husband and Wife*. In the next Parliament, this process of consultation will be carried further.

Changes have also been made in the social security system, to ensure that women can draw additions to various benefits—including invalidity pensions and supplementary benefit—in the same way as men. Moreover, the pensions of widows and war widows have been increased faster than prices.

These actions of the Conservative Government have been deliberately cautious. Unlike the Labour Party, we have not attempted (and are not now offering) to impose a change of attitudes from Westminster. To make such an attempt would be fruitless; as **Mrs Sally Oppenheim**, former Minister for Consumer Affairs, has said, 'one cannot prescribe attitudes by legislation' (*Hansard*, 11th June 1981). We have aimed, instead to provide what government can properly provide: a legal and administrative framework that is fair to women.

5. CRACKS IN THE ALLIANCE

As Liberal/SDP Alliance candidates are getting their election addresses round so the cracks begin to show. Apart from the three seats where Liberals and Social Democrats are fighting each other (Liverpool

Broadgreen, Hackney South and Shoreditch and Hammersmith), there are many seats where the Liberals are apparently ignoring the Alliance: neither the window bill for Mr David Morrish in Tiverton, nor the posters for Mr Roger Pincham or Mr Chris Green in Herefordshire mention any party at all. **Mr Pincham** is quoted as saying that his Liberalism is 'not going to be swamped by the SDP' (*Advertiser*, 26th May 1983). In Yeovil, the Liberals are expecting a 'drag factor' on their vote of 3 per cent because of the Alliance with the SDP (*Guardian*, 28th May 1983); while on the SDP side, Mr Dick Taverne's manifesto for Dulwich puts the word 'Independent' prominently and Alliance only at the bottom. Mr William Rodgers (SDP Stockton North) has issued a four-page leaflet not mentioning the SDP or Alliance at all (*Observer*, 29th May 1983).

Unofficial Promises. For Mr Bill Jones (SDP, St Pancras North), the Alliance talismanic phrase of one million jobs in two years has become half a million jobs a year. **Mr Chris Green** (Lib, Hereford), who seems to think that total public expenditure is only £8 billion, ascribes policies to the almost unmentioned Alliance that are not in their Manifesto. He says, 'We will abolish rates', whereas the Manifesto pledges a move towards abolition of domestic rates only, and a 10 per cent reduction in commercial rates presumably paid for by the taxpayer. He talks about, 'Our comprehensive policies for halting the decline of our rural communities', on which there is next to nothing in the Manifesto (which displays urban SDP roots rather than Liberal rural consciences).

At his adoption meeting, Mr Green said he would undo the Hereford-Worcester merger under the slogan 'Putting Herefordshire first' (*Evening News*, 20th May 1983), forgetting both the Liberal proposal for splitting Herefordshire and Shropshire, giving part to Wales, and **Mr Cyril Smith's** clear statement at the Alliance press conference on 19th May 1983 that 'in principle we favour the abolition of the County Councils and the establishment of regional councils'.

In Leominster, Mr Roger Pincham hopes that many business problems will be solved by abolishing national insurance (*sic*) with the lost revenue made up by a new sales tax (*Advertiser*, 26th May 1983).

On taxation, some candidates have only an obscure grasp of the Alliance Manifesto. **Mr David Lane** (SDP, Ludlow) believes that the Manifesto offers a 'national minimum income for all'; in fact it offers no such thing—simply a consolidation of means tested benefits and lower real tax thresholds. **Mr Parry Mitchell** (SDP, Ealing Acton) states in his election address: 'The Alliance . . . continues to support tax relief' for mortgages. But the Alliance Manifesto proposes to limit such relief to basic rate, and Alliance spokesmen have contemplated getting rid of the relief altogether.

After all this, the point in Mr Mitchell's election address becomes clear:

'If you think all politicians are the same why not meet Parry Mitchell? You could be in for a surprise'.

6. A CATASTROPHE

Mr Nigel Lawson, Secretary of State for Energy, has thrown light on Mr Foot's attitude to the Williamsburg Summit. Speaking on 31st May at Broughton, Astley in Leicester, Mr Lawson said:

'I see that Mr Michael Foot has described the Williamsburg Economic Summit as a "catastrophe".

'No wonder.

'At Williamsburg, the seven big leaders of the Western world confidently predicted recovery from the world recession.

'They also firmly rejected the inflationary nostrums of the Labour party and unequivocally endorsed the economic policies of Margaret Thatcher as the only way to non-inflationary growth and lower unemployment.

'And the seven signatories of the Williamsburg declaration included even the Socialist President of France, Mr Mitterrand.

'Williamsburg was indeed a catastrophe—for Mr Foot.'

7. LABOUR FABRICATIONS ON HEALTH

The campaign so far has been noteworthy for the number of groundless accusations and smears circulated by the Labour Party. Labour like to claim that they too have been the victims of 'smears'; but most of these turn out on examination to be quotations from Labour's Manifesto and its associated documents. Labour's leaders show a startling lack of interest in, and knowledge of, what they themselves are presumed to have written. A typical example of this was Mr Foot's categorical pledge on *ITN News at Ten* on 31st May that Labour were 'certainly not proposing' any increase in National Insurance contributions. In fact, as he himself was forced to admit the following morning, Labour's Manifesto contains on page 17 a clear commitment to increase such contributions for higher income earners—the man on twice average earnings would find himself paying an extra £9 a week in contributions under a Labour Government.

This confusion about their own policies goes a long way towards destroying the credibility of Labour's charges about the Conservatives. On 31st May, Labour staged a charade which was extraordinary even by their own standards. Mr Hattersley and Mrs Dunwoody purported to unveil a 'secret' document which would mean the 'dismemberment' of the National Health Service. Lacking any evidence with which to challenge the Conservative Government's outstanding record of support for the Health Service, Labour have been forced to resort to fabricated charges; and they have put these charges in language so exaggerated as to verge on the unbalanced. Labour's official press release said Conservatives were

laying plans such that 'after 200 years, leeches are making a comeback in medical practise (*sic*)'.

In fact, as Ministers made clear the so-called 'secret' document was an unclassified discussion document circulated to Regional Health Authority chairmen in March. It contained a number of proposals for consideration in order to carry forward the Government's long-established policy of encouraging closer partnership and co-operation between the National Health Service and the independent sector in providing better health care for all patients. Far from being concealed this policy is featured prominently in the Conservative Manifesto.

As **Mr Norman Fowler**, Secretary of State for Social Services, said:

'The Labour Party have scored a monumental own goal. They have simply emphasised that the Conservative Party stands for constructive partnership between the NHS and the independent sector . . . It is grotesque to describe ideas for tackling local waiting lists or allowing the Health Service to use high technology equipment as an "attack on the NHS". It is seeking to bring additional help to patients.'

The episode revealed Labour's willingness to spread fear among the most vulnerable sections of the community. This was fiercely condemned by the **Prime Minister** in a speech in Edinburgh on 1st June:

'I despise that sort of scare campaign, deliberately designed to frighten the sick and the elderly, deliberately and cynically designed by people who know that it is wholly untrue . . . I have no more intention of dismantling the health service than I have of dismantling Britain's defences.'

The scare also revealed the bitter and implacable hostility of the Labour Party to people who have paid through their taxes for the support of the Health Service, but who choose to make extra provision for their families through medical insurance.

Questions to Labour

If Labour are seriously opposing partnership between the public and private sectors they must answer a number of questions.

1. Some 3,000 beds in private establishments are now used by the NHS under contract. These account for about 24,000 inpatient admissions. Such contracts existed under previous Labour governments. These are long-stay patients—mostly convalescent, post-operative and terminal cases. Labour now criticise contracting the treatment of NHS patients out to private hospitals. Would they order these patients out? And what would they do to make up for the 3,000 beds in the NHS that would become unavailable for patient care as a result?

2. NHS patients are able under contract to use high technology equipment in the private sector. Labour now say it is wrong to pay the private sector for the help it gives to NHS patients. Where would this leave patients in need? In London, for example, NHS patients make

regular use of the whole body scanner at BUPA's London Medical Centre. Would Labour stop this? If so, what would they say to the families of patients put at risk?

3. The National Health Service owns 50,000 acres of land. Much of this is surplus to need. The Government has been selling off such land at a profit to the NHS. In 1981-2, £20 million was raised for patient care in this way. Labour now criticise this policy. Would they prevent such sales—sitting on unused land and depriving the NHS of revenue?

4. Conservative policy is to encourage partnership with independent operators in providing high technology equipment in the NHS. In London, as an example, BUPA gave a £35,000 breast screening machine to a London hospital only this February. And BUPA also announced in the last fortnight that they would invest around £1 million into supplying by 1985, for St Thomas's Hospital, a revolutionary machine for removing kidney stones without an operation—the first such machine for an NHS hospital. Over 1,000 NHS patients a year would profit from this machine. But BUPA say in return they want just 25 per cent use of it for independent patients. Now Labour say it is wrong to let private operators use equipment in Health Service hospitals. Would they block this contract?

5. Finally, some Health Service pathology and radiology departments are under-used. We think that where patients can benefit, and where there is no disadvantage to the NHS, it is reasonable for these services to be used by private patients. Labour now say it is wrong to let private patients use NHS staff. Would they refuse blood samples needing analysis and turn away patients needing vital X-rays simply because they had taken out medical insurance?

We challenge Labour to tell the British public how they would answer these questions. We challenge them to say whether they would be willing to put investment and partnership at risk, regardless of the cost to patients.

8. FACING BOTH WAYS

One Way

'In Northampton (i.e., Northampton Borough Council) . . . the Liberals . . . hold the balance of power . . . and have allowed the Conservatives to form an administration.'

The Other Way

'Two of the four Liberals are also members of the Liberal group which is keeping Labour in power on the Northamptonshire County Council.'

(*Guardian*, 31st May 1983)

9. MR BENN IS STILL WITH US

Little has been seen or heard of Mr Tony Benn during the election campaign. As the Communist *Morning Star* commented, it has been an 'unusual campaign for him, concentrating on his constituency, the marginal Bristol East'.

The *Morning Star* admires Mr Benn greatly. It says he 'has unique qualities, vital both to the future of the Labour Party and to the next House of Commons' (31st May 1983). Mr Benn returned the compliment by giving the Communist daily paper an interview. He said:

'In the campaign we have, of course, had the problem of the media.

The *Morning Star* has been a superb exception, as it always is. It has reflected much better what is actually happening on the ground' (ibid).

Mr Benn gave his forecast of the outcome of the election. Labour, he believes, is on the verge of winning, albeit as a minority government at first. 'Under the circumstances the Tories could start to disintegrate fairly quickly with Thatcher being ditched as people ask why she called an election before time when there was no need. And attitudes to Labour would change overnight as people see a Labour Government actually stopping Cruise, beginning negotiations to pull Britain out of Europe, taking action on unemployment. If the Liberals and SDP wanted to vote us down, we would be able to take our programme to the country and come back, I am confident, with an overwhelming majority'.

Another journal which admires Mr Benn, the Trotskyist weekly *Socialist Action* reported a speech he made to Bristol Trades Council, in which he developed further his vision of the future.

'Like the Greenham Common women, like NALGO with its anti-privatisation campaign, we have to dig deep and try to reassert the fundamental role of the Labour movement.

'Non-political trade unionism, therefore, is a cul-de-sac. When we say the movement should be political, I don't mean in a sectarian sense. I mean the purpose of the unions has to be presented politically' (27th May 1983).

If Mr Benn's Trotskyist admirers are any guide he will have major problems in Bristol. *Socialist Action* reports that 'the first public meeting of Benn's campaign is a mass rally on Wednesday, 25th June'!

10. WHAT CAN HE MEAN?

'Do you want to buy a shower? I'm a member of one.'

(**Mr Roy Hattersley**, quoted in *Birmingham Post*, 1st June 1983)

11. CONSERVATIVE POLICY FOR WALES

'Mae hen wlad fy nhadau yn annwyl i mi'

'The land of my fathers is dear to me'. (Welsh National Anthem)

Conservative policies are designed for all parts of the United Kingdom. However, Wales has its own distinct characteristics; and these are receiving the special attention which they merit.

The Economy. In the midst of this severe recession, the Government has brought about changes in attitudes, has prepared the infrastructure and has created the environment in which the economy in Wales, so long unduly dependent on old and declining industries, can be diversified and rebuilt around the new industries.

The foundations for recovery have been firmly laid. All previous recessions have hit Wales particularly hard. But on this occasion history has failed to repeat itself. Unemployment has risen significantly less in Wales than in the United Kingdom as a whole, even though the Principality has borne a particularly heavy share of the contraction of steel employment.

Economic Development. Despite the recession new companies have been attracted to Wales in record numbers, with the new technologies and the service sector being strongly represented. The fullest use has been made of the Principality's development agencies: the Welsh Development Agency and the Development Board for Rural Wales (now known as Mid Wales Development). Since 1979 advance factory building, amounting to six million square feet of space, has taken place, and businessmen have been swift to make use of these new factories. In 1981 alone, the Welsh development boards allocated 300 factory units amounting to 1.6 million square feet of space.

New Initiatives. In order to make Wales an even more effective force in the highly competitive market for inward investment, and to assist new and expanding businesses, the Government will develop two initiatives, WINVEST (Wales Investment Location), already launched, which will publicise the advantages of Wales much more effectively than ever before, and WINTECH (Wales Industry Technology Centre), which will make available in a single centre, industrial technological and financial information and guidance, thereby helping industrial change.

The Urban Programme. The regeneration of the Principality's cities has begun. Relatively modest sums of money have been used with striking success to stimulate major urban renewal investment through a number of Urban Development Grants. In the current financial year, a total of over £29 million of investment is expected to follow from the skilful disposition of government grants totalling about £5.5 million.

Enterprise Zones. The first Enterprise Zone to be created was set up in Swansea in 1981. By the end of February 1983 it had attracted 69 firms, which will provide about 1,000 jobs when they are fully operational. A second Enterprise Zone is now being established at Delyn in North

Wales, and a third has been chosen on the Milford waterway in South Wales.

Steel Industry. The problems of over-manning and uncompetitiveness have been tackled vigorously, and the Conservatives will continue to support BSC's progress towards viability through increased efficiency, quality and service to customers. The Government also recognises the need for continuing investment and for further modernisation, and various special measures have been announced since 1979 to help mitigate the effects of the reductions in manning levels in the areas most seriously affected.

Coal Industry. The Conservative Government has given massive financial support to the industry. It is up to the NCB to decide where this investment is directed. The losses suffered in the South Wales coalfield represent a heavy drain on NCB resources, and some pits will have to be closed for the sake of the future of the industry nationally. These decisions will continue to be made at local level by the NCB after consultation with the Unions.

Unemployment and Training. The combination of severe recession, technological change and the problems of the steel industry in particular have led to a substantial increase in unemployment in Wales. The Community Programme, currently helping over 2,700 people in Wales, is one component of the ambitious programme of special measures on which the Government is devoting £2 billion in this financial year. The Youth Opportunities Programme, the Youth Training Scheme (coming into operation in September 1983) and eleven Information Technology Centres are all designed to help unemployed young people gain work experience and training in the new technologies and computer skills.

Transport. The Road Programme is an essential element in our policy of rebuilding Wales. Spending on the motorway and trunk road improvement in Wales has doubled in cash terms over the last five years. The Government expects to complete another 40 miles of major trunk road improvement at a cost of £275 million in the next few years.

Agriculture has made a dramatic recovery from the poor seasons of 1979 and 1980; incomes are now near the levels achieved in 1978-9 in real terms. This year has seen an increase of some 41 per cent in net farm incomes in Wales. The Government will continue the measures of agricultural support that have played such an important part in maintaining agricultural confidence; particularly the Sheep Meat Régime, the system of Hill Livestock Support and the Suckler Cow Premium. The Government will also continue to press the EEC to approve its application for marginal land to be given 'less favoured area' status, in the hope of increasing payments to Wales from the CAP.

Tourism. The importance of the tourist trade to the Welsh economy as a source of jobs and revenue has grown steadily. More than 90,000 people are involved in tourism (more than in coal and steel put together). The Government has steadily increased its financial provision for the Wales Tourist Board, and major developments of strategic importance are being

promoted through the Urban Programme. A review of tourism policy has been initiated by the Government, with the intention of attracting more visitors to ancient monuments, and strengthening the tourists' contribution to the Welsh economy.

Health. In the past four years, total NHS resources in Wales have been increased by 10 per cent in real terms, and revenue allocations to health authorities have increased by over 11 per cent. Patient services have benefited. There are at least 10 per cent more nurses and 7 per cent more doctors than in 1979. A large programme of hospital building has been undertaken, with starts made on major schemes costing together over £81 million. Mr Edwards has also launched a major initiative to improve the services for the mentally handicapped in the community.

Housing. More than 50,000 council and new town tenants in Wales have now applied to buy their homes under the Government's 'Right to Buy' legislation. More than 25,000 sales have taken place. Furthermore, because of the overriding need to hasten the process of house renovation, spending levels of local authorities have been raised and Improvement Grant levels increased to 90 per cent for all applications received before 31st March 1984.

The Welsh Language. No previous government has shown so strong a commitment to the Welsh language. In 1980 Mr Edwards set out a policy of support for the Welsh language that has been widely welcomed in Wales. Financial support for the language has increased from £681,000 in 1978-9 to over £2.5 million in the current financial year. These figures include grants for education, introduced for the first time under this Government, which enable all pupils in Wales to study Welsh as either a first or second language.

The new Welsh Language television service has been introduced. Over a quarter of its output is provided by independent producers who have created a new industry in Wales.

Local Government Spending and Rates. Rates in Wales have risen over the period since April 1979 by only 44 per cent during a period when the Retail Price Index increased by 55 per cent. Welsh authorities have consistently come closer to achieving the Government's targets than their English counterparts.

Structure of Government. In the 1979 Referendum the Welsh people rejected Labour's devolution legislation by four to one. Since 1979 Government has been brought closer to the people of Wales: we have enlarged the responsibilities of the Welsh Office and improved the Parliamentary scrutiny of its work by means of the new Select Committee on Welsh Affairs. It is our strong conviction that the interests of Wales are best served through the presence of the Secretary of State for Wales in a British Cabinet, where decisions about the whole of the United Kingdom are taken.

The Other Parties. The Alliance seems to see no particular merit in the retention of a Welsh Office in close contact with the other great

departments of State. Last year the SDP published proposals which envisaged the eventual abolition of the post of Secretary of State for Wales. According to the SDP, he should make way for a directly elected Welsh Assembly (which the federally-minded Liberals have long favoured). It is, however, unclear exactly when the Alliance would like to tackle the task of defying the 1979 Referendum result; its Manifesto promises Wales no more than 'a framework for decentralisation' (whatever that may mean). Labour meanwhile have no policy for Wales—or at least no policy fit for inclusion in a Manifesto which ventures a comment on virtually every other subject.

12. ENOCH POWELL AND NUCLEAR WEAPONS

It has become almost traditional for Mr Enoch Powell to enliven General Election campaigns with a searing attack on some aspect of Conservative policy. This time he has chosen the subject of nuclear weapons. In a speech in Downpatrick on 31st May 1983, Mr Powell said that the theory of nuclear deterrence was 'transparent absurdity' and that 'one must be mad' to think that Britain could be saved by its present nuclear armament.

Elsewhere in his speech, he says that he refuted the theory of the nuclear deterrent in the House of Commons as long ago as 1967. In that case one cannot fail to wonder why on 3rd March 1981, **Mr Powell** voted in favour of the following motion in the House of Commons:

'That this House endorses the Government's decision to maintain a strategic nuclear deterrent and the choice of the Trident missile system as the successor to the Polaris force.'

What has happened since then to cause Mr Powell to change his mind?

13. SOCIALISM IN ACTION

'The lights went out across France yesterday when gas and electricity board workers went on strike.

The 120,000 stopped work in protest at moves by President Mitterrand's Socialist government to reduce their job benefits'.

(*Daily Express*, 1st June 1983)

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