

UNEMPLOYMENT

THE CAUSES

we hear a good deal about how to cure unemployment. But first, let's remember what caused it.

As the Western world sank into recession, unemployment rose rapidly everywhere. In some countries such as West Germany, it has risen faster than in Britain. But the level in Britain is tragically high.

The world recession hit this country hard ^{er} because Britain was so notoriously inefficient. Our inflation was too high and so were our prices. Strikes bedevilled many of our manufacturing industries. We failed to deliver our goods on time, or at the right price. Our traditional customers began to look elsewhere for reliability and quality.

All too often, the Government propped up the old industries instead of encouraging new ones.

We turned a blind eye to trade unions which refused to accept new machines and new techniques. We left undisturbed the hidden unemployment in many of our industries which were overmanned and riddled with restrictive practices. As a result, productivity remained abysmally low. *Not enough*

young ~~Our young~~ *people were properly trained for a career in industry.*

~~no training at all.~~

WHAT WE ARE DOING

We all care about unemployment. Do you think there is any government, here or anywhere in the rest of the world, which would not seize the chance of halving unemployment if there was a magic button it could press?

The ~~latest~~ figures show that we have the same proportion of our population in work as West Germany, and a higher proportion in work than France, Italy or the Netherlands.

For The problem of unemployment stretches across the industrialised world. And there is no government anywhere which is tackling that problem with more vigour, imagination and determination than this Conservative Government.

We not only care passionately about unemployment. We are also committed to the only policies that give us real hope of removing this blot on our national life.

And our policies go right to the fundamental causes. They are not window-dressing to catch the voter's eye, but serious, long-term measures.

We have brought down the rate of inflation to 4 per cent, the lowest rate for 15 years. We have brought down interest rates. The strikes which won British industry such a dismal reputation are far fewer and mostly confined to the public sector. We have brought down tax rates for managers and workers alike. We have

slashed the National Insurance Surcharge - Labour's tax on jobs - giving £2,000 million back to industry. Productivity has risen dramatically. There has been a rapid shift from the old, declining industries to the industries of the future. Overmanning and restrictive practices - ^{which} ~~that~~ concealed unemployment for decades - ^{have} ~~has~~ visibly declined in industry after industry. All this means new business and new jobs.

We are encouraging the industries of the future. In response to the Alvey Report, we have recently announced an ambitious scheme in which Government, universities and industry would collaborate on the next generation of computers and beyond. £200 million comes from Government, and £150 million comes from private industry. That means new business and new jobs.

We have introduced more than 100 measures to help small firms - schemes to guarantee loans, schemes to find and build new premises, schemes to give them the best advice. That means new business and new jobs.

We've introduced the most exciting scheme ever to train our young people in the skills of tomorrow - at the cost of £1,000 million a year - so that Britain can compete with the best in the world. That means new business and new jobs.

Mr Chairman, we have done all this - and much more. And we shall do more still.

LABOUR'S RECORD

Now let's look at Labour's record. Let them try to find a single Labour Government since the War which has left office with unemployment lower than when they came in. When Labour's present leader was Secretary of State for Employment, in 2 short years unemployment doubled from 618,000 to 1,284,000. He did not have a magic formula then, and he has not got one now.

Mr Chairman, every Labour Government has promised to reduce unemployment, and every Labour Government has in fact increased it. And if ever there were to be another Labour Government, the same thing would happen again.

No-one can be unmoved by the plight of those who see their cherished skills of half a lifetime suddenly become unwanted. No-one with any sensitivity could be indifferent to the difficulties of young school-leavers finding work.

But we will take no lectures from a party which did nothing to halt our industrial decline when they had the chance.

How can you believe the promises of industrial revival from a party which has never hesitated to burden industry with higher costs?

2 How can you believe in the goodwill towards business of a party which has taxed top managers at penal rates of 83 pence in the pound? *and as the last act in the last Parliament tried to force even higher tax on middle management*

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How can you believe promises of jobs from a party which put a tax on jobs?

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And can anyone seriously believe a party which talks about saving jobs and then puts millions of jobs at risk by threatening to pull out of Europe?

We will not accept the credentials to compassion of a Labour Government which panders to the most extreme of the trade union bosses - men who have destroyed more jobs over the years than the recession itself by clinging to their own obsolete privileges and restrictive practices.

And we will listen to no homilies on economics from:

- a party which has adopted inflation as a deliberate policy
- a party which would spend, spend, spend and borrow, borrow, borrow until Britain was once again as broke as when ~~the~~ ^{The Weekly} IMF ~~has~~ ^{had to try} to bail us out.
- a party which ^{promises} ~~would try to rescue the mess they'd make~~ ^{Britain} ~~by~~ the same kind of social contract which led straight to the chaos and bitterness of the Winter of Discontent.

THE CHOICE ON JOBS

I invite the British people to choose: which party is more likely to win the new customers for Britain and bring the new jobs with them?

Which party is more likely to reduce unemployment - ^{the Labour} a party which put a tax on jobs, or ^{the Conservatives} a party which slashed that tax by £2,000 million?

Which party is more likely to reduce unemployment - a party which wants to get out of the European Community ^{which is our biggest market for exports} and put up the shutters on the world, or a party that believes in open trade and increasing our biggest export markets by staying in Europe?

Which party is more likely to reduce unemployment - ^{the Labour} a party which believes in ^{more} nationalisation and ^{more state} controls, and which sneers at ^{producers} businessmen and wealth-creators, or a party that believes in free enterprise and ~~thriving business?~~ ^{pros and incentives}

"Success will ultimately depend on the understanding and support of the community as a whole - and especially on the efforts of employers and workers in industry; for without a rising standard of industrial efficiency, we cannot achieve a high level of employment combined with a rising standard of living."

Mr Chairman, those are not my words. Those are the words of ^{the} Lord Beveridge ^{in his} White Paper on Employment Policy in 1944. They were true then, and they are true today.

^{we} There ~~are still~~ no magic cures. ^{that, that's the non-sense.} We regain jobs by regaining customers. And we win new jobs by supplying new goods and new services of the right quality and at the right price.