

THIS TRANSCRIPT WAS TYPED FROM AN RTU RECORDING AND NOT COPIED FROM AN ORIGINAL SCRIPT. BECAUSE OF THE RISK OF MISHEARING AND THE DIFFICULTY IN SOME CASES OF IDENTIFYING INDIVIDUAL SPEAKERS THE BBC CANNOT VOUCH FOR ITS COMPLETE ACCURACY.

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twenty thousand a year, will gain seven pounds eleven pence a week. But someone in a super income bracket of sixty five thousand pounds a year will receive a massive give-away sum of a hundred and twenty nine pounds a week. That unearned bonus is more than the nurses total salary before any deductions are made in tax and national insurance. And that isn't the end of the Chancellor's give-away to the super rich.

A married man on two hundred thousand pounds - and there are a substantial number of those as a result of the recent boom in top salaries - gains more than thirty three thousand pounds as a result of this Budget. That is over six hundred and forty pounds every week.

One person's tax windfall is more than enough to keep open that hospital ward in Merthyr Tydfil opened by the Queen Mother and now closed by Mrs Thatcher.

No wonder then that outrage has been expressed at this huge transfer, greater than in any Budget this century, from the less well off to the very highest paid. About ten million people in this country will not gain a single penny from tax cuts. They are the pensioners, the unemployed, and families with incomes too small for the Chancellor to be interested in taxing them. And that's not all. If your wage is a hundred pounds a week and your family is in need of help with rent and rates and getting by on family credit, the tax cut brings you a mere five pence, precisely two pounds sixty in a whole year. I'm telling you these facts because I believe it is crucial that we all understand what lies behind this Budget. Most of the four billion pounds that the Chancellor had to

spend, has not come to you. If you're on an ordinary income earner or even if you earn quite a bit more than the average wage, you've not had your fair share. As much as forty percent of the Chancellor's money has gone to the super rich five percent at the top of the scale. So how should the money have been spent?

First and foremost, that same amount of money that has gone to the top rich should have gone instead to rescue the National Health Service. I need not remind you of the crisis which the Health Service faces. All those who work in it, and most of those who use it, know of that crisis from personal experience. Within the last week the British Medical Association has produced a survey of the hospital service. They compiled information from doctors and consultants all over the country. Let me tell you some of what that survey revealed.

Even after allowing for changing needs in the service, over three thousand hospital beds were closed down permanently in 1987, because of short-term financial restrictions. That's bad enough but on top of that it was discovered that over a three week period, nine hundred operations had to be put off, again because of short-term financial restrictions. That is three hundred operating sessions cancelled each week. A truly shocking figure. And let's just be clear how this and all the other closures and short-falls in the National Health Service could so easily have been avoided.

In the face of these facts I defy anyone, including the Chancellor of the Exchequer and the Prime Minister, to say that the National Health Service is properly financed. The

Health Service needs an immediate cash injection of two billion pounds. That's the sum supported by all shades of professional and political opinion. That two billion pounds is exactly the same sum the Chancellor plans in a full year to give away to the richest five percent fraction of our society. The tax cuts of this five percent are being paid for by the neglect of our National Health Service. No longer can Ministers in this Government argue that the Health Service doesn't need the money, or that the money just isn't there to be provided. We know the Health Service is in crisis and we know, for this Budget proves it, that the money was, and is available. But Mr Lawson and Mrs Thatcher decided to pay it to the richest tax payers rather than invest it in the Health Service which cares for us all.

Labour will carry on the fight to save the Health Service. We will fight for proper pay and conditions for the dedicated doctors, nurses, and hospital workers who serve us, and for an end to the scrimping and scraping to which they have to resort to stop a total collapse. The tragedy is that it could all have been achieved yesterday, by one stroke of Mr Lawson's pen and he cannot easily be forgiven for such a shallow and misshapen sense of priorities.

And in a few weeks time, as part of the same deliberate strategy which gave so much to the highest paid yesterday, we will see the introduction of the most savage Social Security cuts in our history. To save a few hundred million pounds - small change in terms of this Budget - thousands of poor families will be trapped ever more firmly in drabness and in despair. It need not happen, it could all be avoided had the

Chancellor thought of them in his Budget.

And that will not be the end of the story. Just over the horizon is the Poll Tax. It is the next instalment of Mrs Thatcher's so called tax reforms. The gains of a very large number of people who will have a few extra pounds from tax cuts will be short lived - the punitive Poll Tax will make sure of that.

These then are the reforms of which Mr Lawson is so proud. A Budget which shamelessly panders to the highest paid. A savage demolition of Social Security in the introduction of the most unfair and unworkable tax ever devised. What he could have done with the resources at his disposal, after saving the Health Service, was to invest the surplus in the long-term economic recovery of Britain. Our public services and community facilities have been neglected and run down for at least a decade. Why can we not have a programme of education and training which sets out to build the best educated and trained workforce in Western Europe? Why can we in Britain not invest in the skills of our own people? Why can we not secure our technological future by ending the chronic decline and spending on research and development? Why do we not invest in the neglected regions of Britain, where so much untapped energy and under used resources could be brought into play, to create a larger national cake and to end the denials of opportunity perpetuated by a senseless division between North and South? In sum, why can we not aim for the best in our country? So much could have been done in this Budget if only Mr Lawson had decided to invest long-term in the nation, rather than reward his supporters in the

