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'ON YOUR SIDE'

THE NEW WELFARE STATE AS THE ENGINE OF ECONOMIC
PROSPERITY

INTRODUCTION

1. Today's welfare state has a rich history, but it also has a very important future as one of the key cornerstones for a modern society and an effective economy. We live in a world defined almost by change itself: many jobs are no longer for life; the economy demands entirely new skills - not just once in a life-time but several times; women are as likely to be working as men - in some parts of the country more likely; new technologies transform the way in which we work and where we work; family patterns and ways of living have changed markedly and greater mobility has altered the landscape of once familiar communities. These are just some of the challenges which the government faces in modernising the welfare state. In this booklet I set out how we are meeting those challenges, ensuring that we have a coherent and modern welfare system working for us in the 21st century.
2. Beveridge's welfare state was forged in the collective spirit of the Second World War. It embodied a vision of society in which people were protected from the major risks that can afflict us all - the scourge of unemployment, sickness, disability, widowhood; and where people were provided support for birth, children and old age. We need to build on that vision, not for nostalgia but for the future.
3. The Government's approach to welfare reform today is based on the application in the modern world of the principles that have always underpinned the welfare state. Our guiding principle of "work for those who can and security for those who cannot" would be familiar in the 1940's. But we have recognised that the welfare state has to deal with different risks - such as endemic low pay, low skills and lone parenthood to name but a few.
4. We must recognise that the welfare state is under threat from friends and from enemies. Its enemies would cut welfare to the bone, saving money on welfare spending but at a huge cost in social exclusion and polarisation. Its friends would kill the welfare state with misplaced kindness; caring only about rights and spending, not responsibilities and efficiency. We will not dismantle welfare. But nor should we protect it unchanged. We protect it by reforming it - applying its core values in the modern world.

5. After the war we were able to give all people in Britain a comprehensive system of health care; universal family support; and the right to social insurance benefits when people became old, lost their jobs, became ill or disabled. The concept of a universal, fair and efficient welfare state, paid for by contributions from the whole population, and available on the basis of need remains as relevant to the 21st Century as it was in the 1940s.

6. Much recent debate about welfare has been misconceived. Spending on social security has been caricatured as either inherently a good thing or a bad thing. It is neither. What is important is that the welfare state - properly designed and delivered - is not only an important source of support to vulnerable people. It is also an important part of a productive, efficient and fair economy. It is fundamentally about investment. If we get it right we not only relieve poverty.

7. A modern Welfare State is therefore one which functions as an integral and positive element within our macro-economy. If we are to achieve that objective, we need to define and debate five key objectives for the modernised welfare state:

- Firstly, we must ensure that the welfare state serves as an enabling force in people's lives, helping them to overcome fear of change, minimise risk and seize the opportunities of the new economy for themselves, their families and their communities;
- Secondly, it must serve as a provider of skills for the economy as a whole, helping individuals to develop their capacities but also monitoring and creating supply side efficiency within the labour market;
- Thirdly, as we position a reformed welfare state at the heart of our economy, we must ensure that it is flexible enough to meet the individual and societal patterns of change thrown up by new patterns of commerce and information flow;
- The next defining objective is to ensure that we maximise the productive capacity of every individual. A wealth of work is already underway on this, but we need to look further - to the patterns of people's working and family lives and the balance between them;
- Finally, as we shed the image of welfare state as dragnet, we must update its role as safety net. How do we provide support for all our people, giving them access to the assets they need but in a manner which engages them in their own welfare and well-being - security, but not passivity?

8. I want to address all five of those themes and to show how they form the pathway to a

strengthened and reformed welfare state, but I shall look first at the reasons for modernisation, the current economic context and our achievements to date.

THE NEED TO MODERNISE THE WELFARE STATE

9. Ali G once asked my colleague Tony Benn whether the welfare state was so called because it was "well fair". He may not have been so far from the truth for there is no doubt that the principles of equity and universal, but targeted, support have an abiding relevance.

10. But Tony Crosland spoke too soon when he said in 1956 that "poverty has been largely eliminated." Nearly half a century later, over a million people are unemployed. Over five million working age people receive inactive benefits, such as income support and sickness. Nearly one in five households have no-one in work. Some 4.3 million children are still living in poverty (which is why we have set a goal to eliminate child poverty within 20 years) and 2.2 million live in households where no adult is in work.

11. Theodore Roosevelt once said: "The best thing you can do is the right thing. The worst thing you can do is nothing". In developing the post-war welfare state we did the best thing, but for too many years since we have done the worst. A pattern of services was set up but the world moved on. Society and the economy changed, but our institutions did not adapt.

12. In the 1940s, 7 out of 8 married women did not work. Now half the work force is made up of women. Only one in ten of the population was of pensionable age in the 1930s. Now it's nearly one in five. The world of the 1940s did not foresee that one in four families with children would have only one parent in the household. And of course, these social changes intertwine with dramatic shifts in the nature of our economy.

13. Some of these changes have brought substantial fear and insecurity for the future. We need to alleviate that fear. The task of the welfare state is to provide a collective security - a sense of a society which is 'on your side'. Yet attempts to alter social security provision to ensure that this function is updated in line with economic development have not always proved successful.

14. Where changes were made, they were not always the right ones. If we're honest with ourselves, we let the focus drift from 'rights with responsibilities' to simply the right to claim benefits. And with that erosion in the role of the individual came a political vacuum - one filled by opponents of a supportive and coherent society.

15. Take, for example, employment policy. We started out with the receipt of unemployment benefit accompanied by a duty to look for work. But by the early 1980s you only had to 'sign on' to receive benefit. The system encouraged some unemployed people to claim other benefits, such as those paid for sickness and long-term ill-health, without an obligation to look for work. This was neither a victory for the Left, nor an advance for the welfare state.

16. We did not have a system geared to helping unemployed people to take up jobs quickly. This failing was both inefficient, reducing the potential growth of the economy, and unfair, allowing some people to drift into long-term unemployment. We tried to solve poverty through the passive transfer of benefits. But we lost sight of the need to ensure efficient and equitable outcomes.

17. A sterile debate developed in which people lost sight of the need for economic policy and social policy to work together. To the old Left spending on welfare was self-evidently good because it was money going to poorer people. To them the issue was how to maximise spending without causing too great a burden on the economy.

18. For many on the Right, the size of welfare programmes was responsible for declining economic performance. Across Europe concern arose about what the Economics Commission in Sweden called "institutions and structures that constitute an obstacle to economic efficiency and growth" Other commentators, such as Jacques Dreze and Edmond Malinvaud, argued that the agenda should be to make the Welfare State leaner and more efficient.

19. From this perspective welfare spending is intrinsically bad - a drag on economic growth and prosperity. Right wing Governments through the 1980s tried to cut the costs of welfare but without investing in people. That damaged efficiency and effectiveness. We ended up spending more but without solving poverty. Like so many diets, this one didn't work: the welfare state got neither leaner nor fitter.

20. One of the most distasteful experiences of recent weeks has been the development of an inflammatory, shallow and reactionary debate on subjects ranging from crime to pensions. There has even been a suggestion that we should abolish the New Deal for Lone Parents (NDLP) - an initiative that so far has helped more than 50,000 lone parents into work and 15,000 to obtain a place in education or training. In fact, this criticism was based on uninformed and incorrect assumptions about the passage of people with children in older age groups into work - ironic, in that it is precisely the type of help available under the NDLP which such people

may well need. You might think there is little to learn from studying such nonsense, but it does show that if we are lazy in our analysis and diagnosis of the problems we face, there is no shortage of ill-informed alternatives on offer.

21. The discourse upon which the development of the new Welfare State is based must reflect and challenge the reality of people's lives. To offer but one example, it is no longer adequate to describe monolithic ethnic minority educational under-attainment, when this masks large differences between different ethnic groups. To do so is merely to perpetuate the discrimination and failure to respond which we seek to tackle. Responsive social provision requires us to stop pigeon-holing people and groups within society.

22. This failure on both sides does not mean that we have run out of options for future thinking about welfare. Indeed DfEE is actively liaising with leading economists and commentators to pull together thinking in this area. But we need to recognise and build on one of the neglected fundamentals of the welfare system. As Tony Atkinson has said, the welfare state can work with, rather than against, the grain of economic policy. Economic efficiency and social justice are not in opposition. They are complementary. Abramovitz likewise has said:

"The enlargement of the government's economic role, including its support of income minima, health care, social insurance and other elements of the welfare state, was not just a question of compassionate regard...It was, and is....a part of the productivity growth process itself."

23. Social and economic policy need to go hand in hand, with welfare measures supporting economic growth and economic policy designed to maximise social outcomes. The new Welfare State needs to be shaped with this in mind.

THE ECONOMIC CONTEXT AND THE GOVERNMENT'S APPROACH

24. That's the challenge. We now need to focus on what we are doing and what more remains to be done. And let us be clear just how much we have achieved already in meeting these challenges. This Government has focused like a laser beam on getting the economy right. We make no apologies for that. Some people told us that we did not need to be so strict with the Government's finances. We could afford to relax a little here, spend a few million more there. But as Gordon Brown has pointed out, the prudence was for a purpose. Without stable economic conditions in which people can create wealth and jobs, no amount of imaginative social policy will do any good.

25. As long as we create the conditions for economic success business will create jobs. Government then has a big role in equipping citizens to take advantage of the opportunities that are there, and ensuring fairness in the labour market. There is a parallel with health care: we try to cure illness when it occurs, but we also try to prevent it happening. Equally, the benefits system needs to try both to prevent problems and to redress them if they occur - prevention and cure.

26. And the Department for Education and Employment has a key role to play, with responsibility for education from the earliest years to further and higher education and training, through to active employment measures. Excellent education provides a foundation for a healthy economy. That is why this government has education at the top of its agenda and will keep it there. We are ensuring that all children learn the basic skills of literacy and numeracy. Our literacy and numeracy strategies have transformed the quality of teaching in primary schools and raised standards of achievement. And we are now taking this transformation on into secondary schools. Without these basic skills, our children would be locked out of learning and the growing prosperity that the economy can deliver. With them, they are able to face the challenges they will meet in later life.

27. But we also need to deal with the real problems that are with us now. We cannot deal with things in the way we always have. A modernised welfare state is about more than just social security. The post-war welfare state pooled risk to tackle problems when they arose. That was - and remains - important. But people are no longer satisfied with simply being treated when they are sick; they want to be helped to stay well; and they want the knowledge, information and other support to help themselves to stay well. People do not just want to be paid benefit when they lose work; they want training and advice to get back into work and, if they need it, further training, child care and wage support when they are in work. The welfare state must increasingly invest in prevention as well as cure. Pooling effort and resources to prepare as well as repair.

28. The New Deal programmes have targeted a range of high quality help on young people, on long term unemployed people, and other groups who face difficulties in getting back into work such as lone parents and disabled people. Other programmes like the new Employment Zones are bringing to bear new resources and new imaginative approaches to help areas where people face multiple disadvantage.

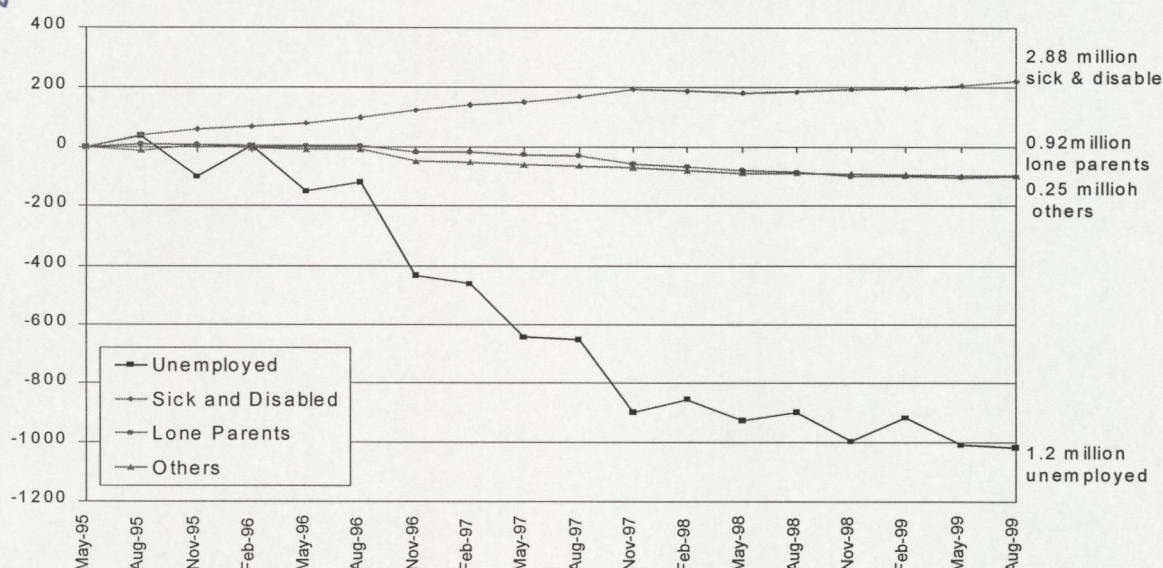
29. And, crucially, these policies are not just about alleviating deprivation. They are also serving to improve the efficiency of the labour market. By tackling employability and placing the

emphasis on the skills employers tell us they need we have revolutionised the essence of employment policy, replacing 'unemployment benefit' with 'welfare to work.' The Employment Service is now energetically engaged in tackling barriers to work, meeting employer demands and equipping individuals to help themselves.

30. We are now helping economically inactive people into the labour market too. Already, as graph 1 shows the trend in the numbers on lone parent benefits is downwards. Numbers of lone parents on income support have fallen by 14% over this Parliament compared to a rise of 16% in the last Parliament. The rate of increase in the numbers of people on long term sickness and disability has also slowed considerably and may be close to peaking.

GRAPH 1

Change in size of benefit groups since May 1995



31. And we are taking a joined up approach - ensuring prevention of inactivity as well. Men who are economically inactive are twice as likely to have a long-standing illness. So modernisation of the National Health Service is another cornerstone of the active welfare state. We have developed modern services which actively promote self care, preventative care and enable people to access care from their own homes, for example through NHS Direct and NHS Direct on-line. And rehabilitation services are playing an increasingly important role in ensuring that people re-enter work quickly after illness.

32. All this has been achieved through better use of resources. Spending on Social Security will fall from 12% of gross domestic product in 1996-97 to 10.8% of GDP in 2001-02 (or 11.3% of GDP including tax credits). Social Security Spending rose by 4% between [[date and date -

checking timescale]]. In this Parliament it will rise by about 1% a year, including tax credits. Yet this is not just a story of cost cutting. More is now being done to tackle poverty and social exclusion and the Government has spent an extra £7.6 billion in 2001-02 in real terms on additional help for pensioners on low incomes (£2.8 billion) and families and children (£4.8 billion). Without this extra spending, the budget would be falling in real terms.

33. We are progressively shifting the balance of spending away from funding the consequences of social and economic failure towards creating a system which helps people succeed. The transformation in the culture of the Employment Service typifies this positive, enabling approach.

34. In the ONE pilots all benefit claimants have the help of a personal adviser to help them plan a route into work. In return they have an obligation to take part in a work-focused interview as part of their claim. From next year all lone parents claiming Income Support will have similar interviews.

35. And, as the Prime Minister announced recently, we are setting up a new agency for working age people. Bringing together the Employment Service and Benefits Agency is not just a piece of bureaucratic tidiness. We will build the new agency into an engine of economic growth, an organisation that will improve the delivery of our welfare to work policies by removing barriers that keep people from the work that suits them.

36. This approach is beginning to work. We have a dynamic and healthy labour market. The number of people in jobs is the highest it has ever been at 27.8 million, and over 900,000 more men and women are in a job than in May 1997 (that is as many more people in employment as there ^{are} in Glasgow). Claimant unemployment is the lowest it has been for 20 years, with the claimant count of unemployed men and women down to the levels of January 1980. The number of unemployed people on benefit has fallen by 43%, compared to a fall of 5% in the last Parliament. Employment in every region of the UK is well above the average rate for the European Union; if we had the EU employment rate here we would have four million fewer people in work!

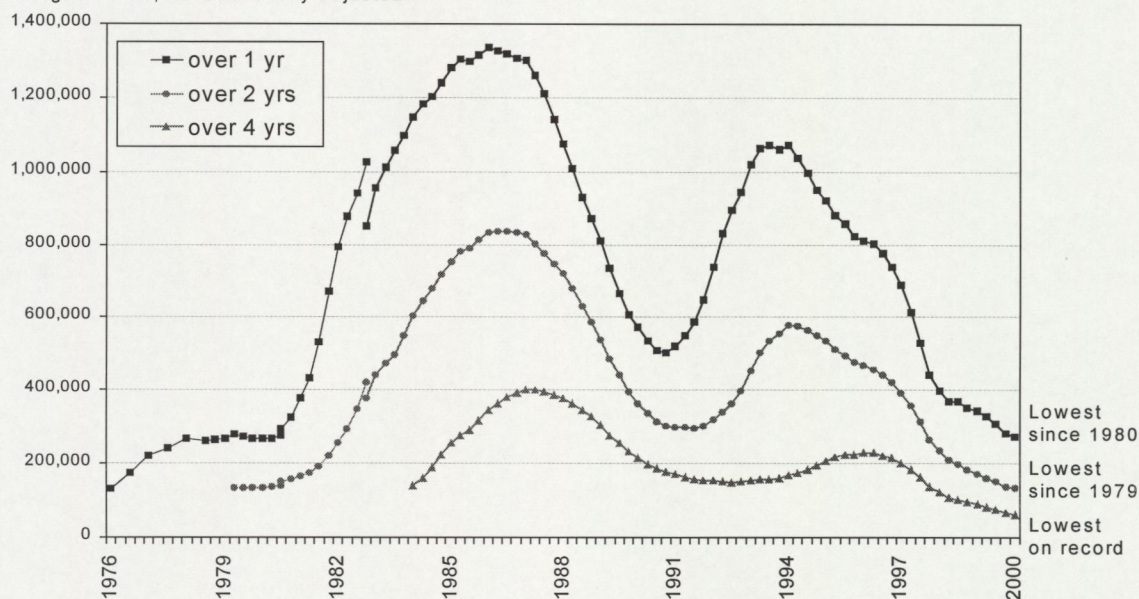
37. The number of long-term unemployed people has fallen sharply: the number of people who have been out of work for more than four years is now the lowest ever recorded as graph 2 shows. The number of young people aged 18-24 who are unemployed for 6 months or more is now at a level not seen since the mid-1970s. The current unemployment level of around 50 thousand is about a tenth of the peak in the mid-1980s - see graph 3. In the two years since the

New Deal for Young People was introduced nationally, the number of young people unemployed for more than 6 months has fallen by over half (56%) compared with a drop in unemployment generally of nearly a fifth (18%).

GRAPH 2

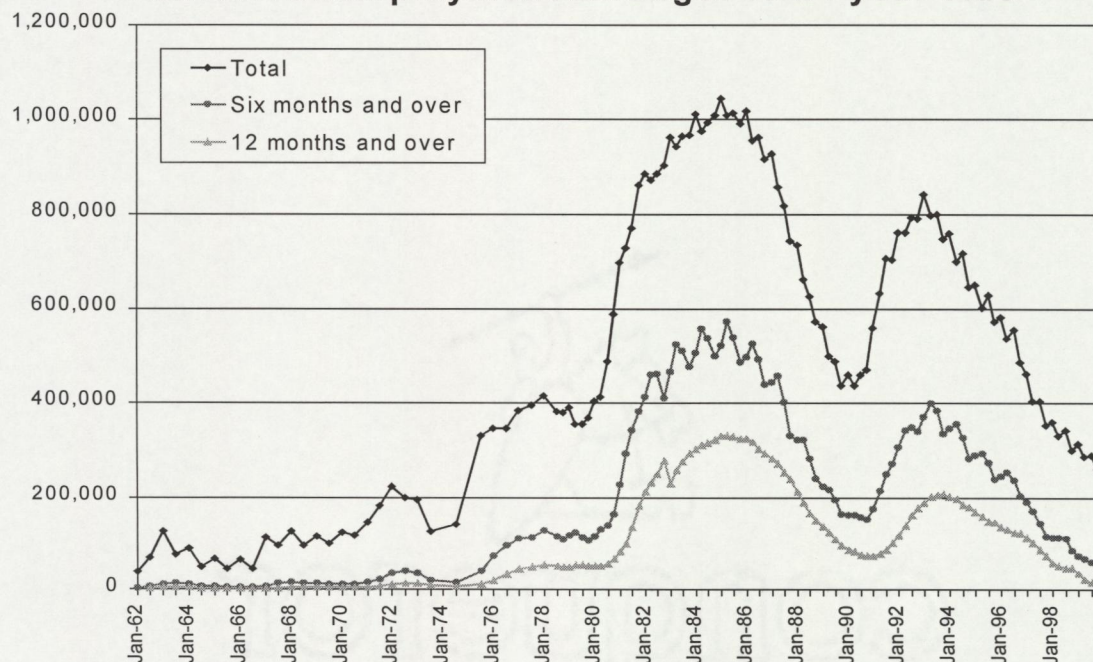
Long-term unemployment has fallen significantly...

UK Ages 18-59, not seasonally adjusted



GRAPH 3

Claimant unemployment amongst 18-24 year olds



38. Sadly there are some - not least in those sections of the media which should know better - who fail to acknowledge that this represents a dramatic change from a situation in which large-

scale, long-term unemployment was deemed a "price worth paying". Perhaps those critics should occasionally venture beyond middle class London to areas like Hackney, the Welsh valleys or my own constituency of Sheffield Brightside. They might see the legacy of the old approach and the effects of the new one.

FUTURE CHALLENGES

39. I have set out our welfare inheritance and some of the ways in which we are acting to modernise its principles and address its inadequacies. I want now to look at some of the specific challenges which face us as we move towards establishing more firmly the five pillars of the new Welfare State.

The new Welfare State as an enabler

40. We need to ensure that the new Welfare State goes beyond the role of providing a safety net. It needs to enable, support and help people take risks as they enter the labour market and move through key transitions in their lives. People don't respect a system which offers something for nothing - the crumbs that trickle down from richer people's tables. They don't respect benefits which aren't earned. They want to make a contribution of their own. So we have increasingly developed a "something for something" approach which aims to help people to help themselves. People want a system that is on your side, not on your back - a system that recognises you will do best if you do it yourself, but which is also active in helping you into work, into training, into independence.

Fostering enterprise

41. This includes the need to foster enterprise - something which the welfare state has seen as being "someone else's business" for too long. An active welfare state recognises that we all have creativity and talent and creates the conditions where they can be developed. As a society we celebrate the enterprise of entrepreneurs like Richard Branson, James Dyson and Martha Lane Fox. Yet our innovators and wealth creators still come from too narrow a section of society. The challenge is to enable more people to fulfil their potential as wealth creators for themselves and their communities.

42. We are also trying to ensure that future generations are better equipped to seize the opportunities tomorrow's economy will give them. We have:

- improved the links between schools and businesses so that children know more

about business and entrepreneurship;

- ensured that self employment is recognised as an option on all our welfare to work programmes. This is critical because [[12 - check]]% of people in employment are self employed;
- provided new support for small firms and self-employed people including through the Small Business Service and new lifelong learning products such as learndirect / University for Industry and individual learning accounts.

43. The challenge for the future is to recognise the new models of enterprise, including social enterprise, that are growing up in our communities, and to build first class links between employment services and the new Small Business Service, so that people who move out of unemployment into business have seamless support.

Service modernisation through ICT

44. This Government is about enabling people to cope with, and take advantage of, rapid and sustained social and economic change. We recognise that change is inevitable and that in a global economy and a rapidly changing society - including the driving force of ICT development - there will be great fear as well as opportunity. We need as a Government to provide the support needed to lessen the fear, and we also need to increase the opportunities for people to take on the challenges they face with the skills and resources they need.

45. The Government's drive to deliver services electronically is not a fad - it is about ensuring that people have access quickly and easily to the services and support they need, without being sent from pillar to post. Alexander Graham Bell might think it ironic that we are just getting round to making full use of the telephone. But jobseekers can now phone ES Direct, via a single local call-rate number, and be put in touch with employers who have jobs. To this we are adding real-time, nationwide job-matching services through the Internet - the perfect medium for jobsearch and recruitment.

46. This does not mean that face-to-face services for jobseekers will disappear. Far from it. Personal advisers will be more important than ever. Technology frees them to serve their customers even more effectively, particularly those most in need. It will bring about a step-change in the accessibility and responsiveness of services.

47. But these are small steps. If the welfare state is to reflect new patterns of economic and

social behaviour it will need to embrace ICT as the opportunity to deliver a step change in service quality.

Empowering communities

48. Our emphasis in the delivery of welfare services is increasingly on responding to individual needs. Yet it is vital that we develop patterns of provision which develop capacity at community level, nurturing the social coherence which is every bit as important to well-being as raw wealth. We talk often of social exclusion, but there is a hard-headed economic imperative here as well. Empoverished communities are unjust but they are also incapable of generating the economic vibrancy and growth which is our goal.

49. We have already introduced measures such as the New Deal for Communities based on partnerships to tackle ingrained problems over a long timescale; Community Champions as a way of kick starting local activity and the Neighbourhood Support Fund for tackling specific areas of deprivation.

50. Innovative approaches for the future will need to:

- learn from some of the cutting edge work in intermediate labour markets which provide pathways to work through community based activity;
- nurture social enterprise and social entrepreneurs who are finding home grown ways of getting communities back on their feet;
- challenge our definitions of community at a time when new technologies provide growing scope for 'multi-local' action for sharing knowledge and expertise outside the geographical base;
- offer new resources to communities, for instance through learning centres linked to the University for Industry which could be key resources both for information exchange and updating communities' skills.

Skills for the new economy

51. Technological advances are transforming the way we live our lives, making skills, knowledge and information the core currency of the new economy. The new Welfare State needs to have an even greater focus on helping individuals develop the skills they need for the future. John Monks has recognised this, emphasising that the best way for trade unions to

secure influence and protect their members is to ensure they have the skills they need to respond to the changes and challenges they will face in the years to come.

52. This development of a 'new unionism', protecting workers but also empowering them to adapt to new economic opportunities, is critical. We are already working in partnership with the TUC and its affiliates, through mechanisms such as the Union Learning Fund, but we must continue to refine our provision of in-work support and training.

53. We need to work with employers to ensure that those willing to take routine jobs are not locking themselves out of the opportunity of training to develop themselves and their capacity. We have already made a start by giving all 16 and 17 year olds the right to time off for study and there is a case for this being extended in the future as Foundation, and Advanced, Modern Apprenticeships are developed.

54. There is a major agenda here: we need to integrate professional development opportunities into all workplaces in the most flexible manner possible. Flexibility means not imposing unnecessary burdens on business but it also means putting an end to the situation in which poaching of personnel penalises those (often small) companies which invest in their workforce. And it is, of course, about developing a culture of sustained investment in the skills and knowledge which define the new economy.

Flexibility

55. Perhaps the key challenge in fashioning an efficient welfare state for the future is to build flexibility in to the way the system operates. People need support of various sorts and at various times of their lives. The Welfare State needs to help people when they face transitions from one situation or phase of life to another; when they move from education or unemployment into work; when a job ends and they may find themselves unemployed and needing to find new work. We also need a welfare state that is nimble and customer-focused, not excessively rule-bound and bureaucratic.

56. We have made enormous strides. On the one hand, the challenge has been to innovate: the Employment Zones, for example, now operating in 15 areas of the country are based upon a flexible pooling of previously rigid welfare resources, with Personal Job Accounts opening up individual solutions and creativity in breaking down barriers to work.

57. On the other hand, our task is to sweep away the illogical or anachronistic. To offer just one example, until now, when two members of a couple were unemployed one of them (usually

the woman) was treated by the system as a 'dependant' of the other, with no obligation to seek work and no help to do so. What a waste of talent and potential! Now we are offering the same help as to the claimant. And from next year, both members of a childless couple will have the rights and responsibilities of jobseekers. ✓

58. My colleague, Alistair Darling, has already taken steps to remove barriers to work for people with disabilities, allowing them to return to benefit at their former rate within a year - instead of only eight weeks if they take a chance on a job but their health worsens or the job fails. That removes a major worry for people who want to get a job, but who fear losing out if it doesn't work.

59. We are introducing next year a new £100 job grant for people out of work for a year or more who get a job - a major advance towards simple and accessible support. And we are making it easier for unemployed people who get mortgage help to take a job without fear of losing out if their job doesn't last.

some of this is even published but it's so important

60. We have made work pay through a combination of the national minimum wage and the Working Families Tax Credit which means from early next year no one with children in full-time work will earn less than £214 a week. These are flexible responses from the benefit system to match the flexibility and diversity of the modern labour market. In the future we need to look closely at other ways in which the benefit system can fit better with a flexible labour market, including ideas such as "rolling up" allowances so that people are not deterred by inflexible benefit penalties from earning small amounts when they get the chance.

✓ 61. We should not stop there. We need to consider new ideas (and at this stage I must stress that we are just setting them out as ideas to be explored, and not making commitments, financial or otherwise). I am looking carefully with Alistair Darling at the way the Jobseeker's Allowance is working. We want to make JSA truly an 'allowance for jobseekers', not a punishment for job losers. We want to remove the hassle and bureaucracy which stops unemployed people taking up temporary jobs. And we want to make the system operate in a way that responds to the needs of individuals.

62. We need to ensure that the JSA rules do not deter people taking a chance on work. At present jobseekers can lose their benefit for up to half a year if they leave a job voluntarily. That can deter some jobseekers from taking a job that might not work out. We already have some flexibility for people to try jobs out and return to benefit if it doesn't work. We need to promote that better so people know about it and we need to consider extending it to more

jobseekers and longer periods of employment.

63. We are also looking at suspending rather than terminating JSA claims to make it easier for jobseekers to re-establish a claim after a short period of temporary work. We should be imaginative about allowing work placements without loss of benefit and avoiding job substitution. We could explore permitting unemployed men and women to retain entitlement to benefits whilst taking a temporary job for a specified period. This would reintroduce them to the labour market and meet a particular demand, as with the Christmas sales bulge. (We did something similar last year with the New Deal, where people's eligibility for the New Deal was not affected by temporary employment in the approach to the Millennium.) Suspending rather than terminating benefit could also avoid the idiocy of requiring people who are fulfilling a civic duty such as jury service to sign off and on to different benefits.

This is again worth publicising

64. When people are newly unemployed they want active help to ensure they can support themselves and their families and quickly find work. They don't want to feel that the State's only interest in them is in finding reasons not to pay them money. We have already sorted out the nonsense that people could be refused benefit because they were owed money by their previous employer, even though the employer had gone bust and was unable to pay. There is a case for going further and ignoring money which people have received in place of working their notice, or instead of holiday pay, when working out their entitlement to benefit. Alistair Darling and I will be exploring this and other ideas in the months to come.

65. We are also looking at the question of mobility. This covers basic help with travel to interviews, and we need to consider whether support can be provided earlier on in a person's period of unemployment, rather than waiting the current three months. We also need to think further about how we break down practical and cultural barriers which prevent or inhibit people from making often quite reasonable journeys to work. We are addressing this through Action Teams for jobs, which will be engaging with people in local communities to tackle the real and perceived barriers that they face in entering employment.

66. For the future we want to use Jobseeker's Directions and Jobseeker's Agreements more intensively and imaginatively, so people get help which is better tailored to their own circumstances and they receive better guidance on the steps they should take themselves to find a job. We want to change the JSA rules so that the Employment Service can use the telephone to call jobseekers into the Jobcentre at short notice for additional help and advice. People would not think it odd for their employer to contact them at home; why shouldn't they be contacted by the agency which is trying to find them a job?

Rights with responsibilities

67. In return for measures which increase people's security, it is right to insist on strict enforcement of the responsibilities which people have in return for benefit. We are strengthening the JSA regime for people out of work for more than six months, providing a more individually-focused approach with greater contact with personal advisers and more intensive job matching help.

68. This is not simply about being available for work. We expect active steps, including training and re-skilling, to improve employability and jobsearch. That is why we have tightened the sanctions regime for the New Deal. The Government is committed to providing protection against poverty and support at vulnerable junctures in an individual's development but the welfare state of the 21st Century can not, and will not, fund indolence. ✓

Adapting existing programmes

69. And, of course, the flexible approach needs to be applied to our development of existing major programmes of welfare provision. One of the greatest strengths of the New Deal has been the emphasis on continuous improvement. It has meant that we have a set of policies characterised by candid evaluation and adaptation, rather than the statistical sophistry which does so much to undermine public confidence. But we need to take that process on. In the coming months my Department will be working with DSS and the Treasury to explore the shape and content of the New Deal beyond the next election. We will be looking - of course - for flexibility, exploring new possibilities in terms of adaptable patterns of work and training options. And we will be looking to ensure that the New Deal caters for all individuals who need its help and support - from an Intermediate Labour Market approach for those requiring sustained support, to development of New Deal pathways for individuals who already have higher level qualifications. We want to build on success through refinements which promote universally applicable provision, targeted help and real flexibility.

70. In achieving this next step forward, we will now be able to build not only on existing successful foundations, but also on a very real change in culture and attitudes: work not welfare; opportunity not idleness. In marked contrast to past attitudes, we are focusing on what people can do and how the State can help.

Housing

71. I do not wish to dwell on the question of housing, but such is its centrality to the debate

on modernisation of our welfare state that no rigorous discussion can omit it. Somewhere in the region of £11 billion is currently spent on Housing Benefit. There has been a dramatic shift from rented accommodation in the local authority sector to a high rent / high benefit entitlement in other forms of social and private housing. Charting a way forward which combines security and equity with a realistic call on public finances is one of the greatest challenges we face.

Productive capacity and individual well-being

72. A modern welfare state needs to allow people to combine activities – employment and training, training and volunteering, childcare and work. People lead complex and varied lives, and the welfare system needs to cope with those complexities throughout the stages of our lives.

73. We must also recognise that many people want to work - and that the role of the welfare state is to ensure that those with motivation and talent are able to take up employment opportunities that they would otherwise have to turn down because of other pressures. By assisting individuals to take up employment, we also ensure that employers have a wider pool of people with more appropriate skills to draw from, thereby helping to increase production and productivity.

74. And we need to face the fact that people will increasingly want to work throughout their lives, enhancing our collective economic productivity, but requiring support from the state as they leave and enter the labour force and combine work with other roles.

Work-life balance

75. We need to raise expectations about what happens in the workplace, and the way in which people are able to balance work and the rest of their lives. We have already signed up to the Working Time Directive which means that most people will no longer be expected to work more than forty-eight hours per week and have launched a campaign with employers on work-life balance. The Work-life Balance Challenge Fund, which we recently launched, will provide £1.5 million over two years to enable employers to explore how they can deliver goods and services more efficiently and flexibly through introducing working arrangements which enable employees to achieve a better balance between their work and personal lives.

76. But it is not just a question of hours worked. Work is not intrinsically bad. It is about quality of work and working environment and the control an individual feels over their working time. Simply reducing working hours will not increase productivity. If that were true nothing I

could say would stop business doing it! But we need to know more about how achieving a better balance between work and home can increase productivity. Rather than being seen as a drain, family friendly measures should be seen as key to competitiveness. Tessa Jowell is working with the Industrial Society and others on the issues around quality of work. We intend to make this a central part of our new agenda and to ensure that it is applicable to all sections of the labour market and not merely professional and white-collar workers.

Broadening the labour force

77. I have already detailed some of our existing efforts to tackle economic inactivity. It is vital that we widen our focus and offer help to people who have previously been left out of the labour market. Six out of ten disabled people are out of work, but instead of asking why, we should ask how the other four in ten manage to get jobs and keep them, and how more people could do the same. We are actively looking at measures which will help employers to hold on to employees who are developing an illness or disability rather than seeing redundancy as the only way out.

78. Tackling patronising preconceptions about which groups are best equipped for the labour market and providing supportive pathways into work for those on inactive benefits is good for our economy in two ways: Not only does it reduce welfare spending and improve social well-being; it also improves the efficiency of the labour market and serves to contain inflation.

Childcare

79. In the post war period the role of women has expanded enormously, in line with the dramatic shift towards greater equality which is one of the major achievements of recent generations. But 30 years after the Equal Pay Act, we still have a long way to go in ensuring that ability, not gender, determines reward. We also need to recognise the pressures the modern labour market is putting on women and their families.

80. This does not, of course, mean that the family should be seen as the exclusive domain of women. But there is a crucial link between the provision of childcare and the active role of women within the labour market. As a Government we have made very clear that investing in childcare constitutes a core economic strategy.

81. The National Childcare Strategy is tackling this issue in a number of ways, including:

- establishing Early Excellence Centres;
- creating the childcare tax credit as part of the working families tax credit;
- creating Sure Start;
- providing funds for new out of school child care places.

82. We will need to continue this expansion of provision, with an emphasis on flexible, high quality services, including extra support for services in deprived areas and childcare for shift workers. Better childcare will give more people the opportunity to make real choices about their working future.

Limits of the state's role

83. But let me be clear. We must be hard-headed in addressing these issues of equality and can not adopt some woolly-minded approach which results in the opposite result to the one intended. All too often our supposed emphasis on equality has simply led to more of the burden of childcare, family responsibility and financial dependence passing from men to women. So I want to give a warning today: We talk often of the need to free people from the pressures and stresses of work - that is important and we are right to do so. But beware those whose good intentions would simply result in small and medium sized employers (who now account for 90% of all new jobs created) looking to those who are least likely to take time off work when recruiting employees.

84. The State cannot satisfy all needs, nor carry responsibility for all those relationships between employer and employee which have traditionally been the purview of trade unions, and which must be worked out within the workplace itself.

85. Quite rightly we expect the State to provide equality of opportunity - for instance by providing for extended maternity leave, which is an essential part of ensuring that men and women are able to operate in the labour market on equal terms, as well as providing a fair and decent society. But it is not possible for us to create an environment in which the State has some overarching responsibility for paying people who are not at work. We must ensure that the balance between the responsibility of the family and that of the State is recognised and that we do not fall into the trap of believing that we can overcome the structural inequalities of all families in all communities. The State does not carry responsibility for paying family members for all activities, or for reordering the relationship between different generations.

Fostering security and independence

86. So the modern welfare state is one in which all who are capable of work are equipped to play an active and rewarding part in the labour market. But that does not mean that our duties with regard to those who are incapable of work are in any way reduced. One of the litmus tests of our welfare reform programme will be its ability to provide security and dignity for those who need support. I believe we will pass that test through a combination of responsive and efficient public services and innovative approaches to fostering individual self-reliance.

87. Our education and training policies are driven by the conviction that achievement in learning is the key to individual success and national prosperity. Learning develops our individual assets and underpins our ability to contribute to a society increasingly based on knowledge, creativity and enterprise. I also believe that the ownership and accumulation of physical capital assets - savings, investments, and other material assets - and their role alongside learning and employment, can become an important strand of our policies for social justice and economic dynamism. A key approach to helping people become and remain independent.

88. Much of the focus of welfare state policies has been on income and this has been right in the context of a widening gap in income inequality between rich and poor. But now we are on the cusp of a different way of looking at the welfare state - one which focuses on capital and assets. Wealth inequality has grown much more rapidly than income inequality. Even more important is the rise in the numbers of people who have no assets at all - during the 1979-1997 period the number of households without any assets doubled from 5% to 10% of the population. They have no savings whatever to protect themselves against the onslaught of change. Our hidden fiscal welfare state has in the past been very good at helping the more affluent to build up savings to provide them with a buffer against misfortune - we should turn our attention to how to broaden this to the rest of society.

89. In the United States there have been a number of interesting experiments where Individual Development Accounts allow individuals to have savings matched by state money for particular purposes such as training, education, entrepreneurship and home ownership. My Department has also commissioned some interesting work from the IPPR in this area. We have already found, using the National Child Development Survey, an important link between asset holding and individual social and economic well-being. We have identified that holding a material stake in society has an independent effect on individuals' life chances and attitudes,

above and beyond such factors as their social class background or educational achievement. The research shows that asset holding can have a positive effect on social outcomes including educational attainment, health and economic risk-taking. Put simply, holding a material stake in society has an independent effect on individuals' life chances. A wider spread in society of assets - both of our individual capabilities and the physical assets we own - can play a key role in our social exclusion strategies.

90. And social exclusion often means financial exclusion. Over 1.5m households use no financial services, some of which would make their lives easier and reduce their expenses. Over 2m adults are affected, mostly those not in employment, living on benefits, often social housing tenants, and often living in deprived communities.

91. We need to look at ways of bridging the credit gap between the Social Fund and retail bank lending activity, which is currently filled by high cost money lenders and pawn brokers. Salford University and Barclays Bank are looking to establish a Community Bank in Salford. Their model is for a community based mutual organisation which will provide credit targeted at people who do not use retail banks. The unique feature of this initiative is that it will be owned by the individuals in the communities that it is trying to reach on a one member one vote basis, no matter how much or how little a person invests or borrows. Decisions about credit sanctioning will involve people from the community who know the real issues and what a difference the right response can make.

92. It will take time but if we can tackle these difficult issues we can effect a real transformation. We need to raise expectations across generations, providing opportunities for parents so that the aspirations of their children are raised. When I look at my constituents, I can well understand why someone made redundant after 35 years in heavy engineering may feel it is asking a lot of them to retrain. But we cannot allow that problem to pass on through the generations. An asset-based approach is the vital fifth element of our strategy, embodying equality, investment, responsibility and autonomy.

CONCLUSION

93. None of the challenges described are evidence of a failure of the system we set up in the 1940s. No one ever suggested that the machinery set up to deliver the welfare state of the 1940s would work forever. If my train to Bristol is late, I don't blame Brunel. He built a good railway. But it needs to be maintained and modernised. And people's expectations about speed and flexibility and comfort will change. Equally, the principles that the post-war Labour

Government poured like concrete into the foundations of the welfare state remain. But the way we operate it needs constantly to be reviewed and renewed.

94. And we need to make explicit something which we have perhaps not celebrated enough in the past, namely that a properly functioning welfare state lies at the heart of any reasonable vision of a good society. It is about the ways in which difficult lives can be made less difficult, how limited horizons can be expanded, and how each generation can try to do better than the one before.

95. If our welfare systems are to be the engine of the economy and not just a burden on it, we need to discard a version of government and politics which sees social issues and solutions as secondary to economic prosperity. Social and economic policy must work together. It has always been acknowledged that economic policy has social effects. But it is surely obvious that social policy also has economic implications.

96. This applies on two levels: Firstly, by empowering individuals with confidence, capacity and good health we increase the proportion of people playing a productive role in the economy and reduce the overall level of social security required.

97. Secondly, effective social policy reduces inequality, which - as David Miliband has highlighted - serves in itself as a constraint on economic development. And tackling social exclusion - this Government's great crusade - creates new markets and new consumers, whilst removing barriers to economic prosperity such as crime.

98. Economists are notoriously reluctant to quantify these points but let me give you some idea of the correlation between the positive impact of an effective welfare state and economic growth:

- people achieving foundation level numeracy and literacy have a minimum 5% better chance of securing employment and improving their earnings by at least 15%;
- one third of people without these basic skills are on social security benefit;
- good GCSEs raise earnings by 40% over those with no qualifications. From GCSE to A level the rise is 20%, with a 20% rise from A-level to graduate qualification. (LFS, Spring 1999);
- and crucially, the gap is widening: the lead of men with A levels over those with no

qualifications rose from 26% to 57% in the 20 years to the mid 1990s (DfEE estimates);

- in production industries, raising the proportion of workers receiving training from 10% to 15% increases productivity by 4% per worker (Dearden et al 'Who Gains When Workers Train?' Institute for Fiscal Studies Working Paper, 2000);
- little wonder the OECD has been so keen to point out that "human capital and technological know how are vitally important to growth" (Human Capital Investment - an international comparison, OECD 1998);
- take the New Deal for Young People. Through this programme, we have already placed 210,000 young people in work - most of them quicker than they would otherwise have found work. This has added £800 million per annum to our national income¹. Employers have been able to fill their vacancies faster and have also created new positions. So the total number of jobs has increased. According to the independent estimate of the National Institute of Economic and Social Research, the number of extra jobs in the first twelve months ending in April 1999 was nearly 20,000.

99. As our programmes expand and intensify there is no reason why they should not create 50,000 extra jobs each year - or half a million over a decade. The result would be an increase in national output of at least £10 billion. This would be a major increase in efficiency for our country and in well-being for our people.

100. We must get away from a providers debate about whether welfare spending is in itself a good or bad thing, to focus on the real debate: how do we build on the potential of welfare to relieve poverty, help people to manage risk and strengthen the economy? How do we provide a safety net to protect people in times of need and a spring board to help people into work and independence. Not just 'Buddy can you spare a dime' but 'Buddy can you help me get a job?'

101. This is about reforming the welfare state not through a process of agonised cost-cutting, but a fundamental re-casting which uses our energy and resources less to deal with failure and more to help people achieve success. It is about prevention and investment in individuals and their lives.

¹ New Deal for Young People: First Year Analysis of Implications for the Macroeconomy

102. We stand at a critical juncture in our political development - one in which we can dispense forever with the erroneous view that social solutions and economic prosperity are discrete aspects of our national life.

103. We have a precious opportunity to build a society which equips individuals and maximises their talents, harmonises communities and fosters not just greater wealth but decency in its distribution. We owe that to those who created the welfare state of which we are rightly so proud. We owe it to those people and families whose lives are still blighted by deprivation or poverty of aspiration, and we owe it to ourselves!

SPEECH TO THE WOMEN'S INSTITUTE

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At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean that the path to our fulfilment as individuals lies in society with others. Renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair.

And the way to rebuild it is by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

Again and again, when I analyse the world in which my children are growing up, I come back to the spectre of change. The world of business, and work, and with it community and social life is all in the throes of change. When Chinese workers are employed at one thirtieth of the cost, our workers have to create things that the Chinese cannot make. When 60 per cent of the people getting jobs are women, we cannot expect childcare and care of the elderly to be done in the old way. And when the new science of genetics of which the controversy over genetic modification is just a part, take overs from the internet as the next shaker of the never-ending kaleidoscope of change, it is no wonder people feel insecure, frightened for their future. If people have to change jobs many times in a working life, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of

the community on our side helping us to become the masters of this change, not its victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

So how can we make this happen?

It can only be done by putting new and old in harmony together. The idea of community is as old as time. Its values are responsibility to, and respect for, others.

These are traditional values, good old British values. But they aren't enough. If we are to create a country where everyone not just a few get the chance to succeed, we need to combine traditional ideas of responsibility with new opportunities open to all.

The spirit of this age is democratic. We won't rebuild community on the basis of deference or hierarchy. The rich man in his castle, the poor man at his gate: it won't wash any more.

Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of all its people. A class-ridden society can't do that.

This is socially desirable and, now, economically imperative.

The age of true equality is just beginning. Not equal outcomes but equal worth.

Opportunity to all and responsibility from all = a community for all.

Let me explain what I mean by putting new and old in harmony. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I know this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. We were accused, in doing so, of abandoning our basic values. But I always regarded it as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of "community".

My generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties. Yes, we want a renewal of civic society. We want a society of rules and order. But we do not want a society of hierarchy or prejudice.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes or practices may simply be barriers that hold our values back.

Let me put it even more prosaically. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He thinks it odd when I go to church in jeans, not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded to gay people.

My generation feels differently: tolerant of different lifestyles, but intolerant of crime.

And we love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at Blackadder or Only Fools and Horses but love the the productions of Jane Austen or Bronte or

Dickens or more recently Elizabeth. We take the best of the past but we celebrate the new.

Obvious maybe, but necessary to explore because otherwise we impale ourselves on a false choice: either change is seen as an obliteration of our history; or alternatively a call for a society based on values is seen as a retreat into the past. The truth is that we need the core values of responsibility and respect for others; but they have to be applied in a way appropriate for today's world. The old values and the new ways go together.

So what are the practical consequences?

First, in the modern global economy, there is no left or right in economic management. There is right or wrong.

When we took office, the Chancellor and I decided to place interest-rates under the management of the Bank of England, an institution which goes back to the 17th century but is still sharp as a razor. It has proved a very sensible decision, and the Bank's interest-rate policy is one of the reasons why our economy is so strong.

The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, interest rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of over £100 per month.

But it only happened by change.

Second, we have to offer opportunity to all.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 **young people will have been helped off benefits and into work by the New Deal.** 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. Again it happened through change. **It happened through putting the power of government on people's side.**

Then we must open up opportunities for better jobs, greater aspirations and ambitions, at every level of our society. In primary schools, there has been a huge improvement in literacy and numeracy. £680m extra spent on school buildings. But we need to extend this change to secondary schools. Whatever the opposition, we need to carry on the schools revolution. We should have a third of all comprehensives become specialist schools within two years. Better pay for teachers – in the next year almost half will get £2000 pa more than the usual pay rise, but tied to performance and standards. And Head Teachers will be able to earn up to £100,000 pa in a tough school doing a good job. More university places - over the next decade we should aim for 50% of young people to become graduates, up from a third today. Universal nursery education, not just for four but for three year olds as well. This year, for the first time in many years, school spending in the state sector will keep pace with the private sector. But the gap is still huge - £6000 pa for every private school pupil, under £3000 pa for every child at a state school.

One of the interesting things about taking a little time off with a new baby, is you see politics in a different way. Sitting there with him, watching the odd news bulletin I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fauntleroy or Karl Marx. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. Neither Gordon nor I will have any truck with old-fashioned egalitarianism that levels down. We are unashamed supporters of excellence. But we need to give far more of our kids a shot at it.

I said education was our No 1 priority. It still is.

Then we need new opportunities for adults to get skilled and re-skilled; help for people to start small businesses; for enterprise for all; for boosting productivity.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security.

Our goal must be to become the No.1 nation for education and the new technology in the 21st century. But it will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

You can apply the same fusion of old and new to transport or the NHS. We know our transport system is poor. We know we need to plan its improvement. It won't happen by market forces. But it will have to be done in a new way, financed differently; road and rail integrated; cities, as Manchester has with the Metrolink, finding new ways of tackling congestion; and where in rural areas, people depend on their cars, making sure that some at least have the choice of a decent bus service.

Or take the NHS. A great British institution. We should stay absolutely true to its values. But as I have been finding out in the past few months, working with those in the NHS, it is an institution riddled with inefficiency, out-dated practices, old-fashioned systems, where the staff work flat out, but in a system that desperately needs fundamental re-design. In truth, if we do not now make real changes in the NHS, then no matter how much money we put into it the NHS will slowly decline. I am determined not to let that happen. But again, we need the values, embodied in the NHS, given new life by change and reform.

We need to re-capture some of that post-war spirit of renewing the nation; but apply it afresh to our 21st Century lives.

Put bluntly, Britain is an "under-invested in" nation. If we want to open up opportunity and provide security for people in the world of change, we must invest in the future.

Then as we make this investment and provide opportunity, we insist on the responsibility side of the equation.

The Americans call it "tough love". I say: "something for something". But it is the same idea: effectively, a covenant for citizenship. We as a community, open up opportunity for all. But in return, we are prepared to be hard on those who won't play by the rules.

When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

The detestable football hooligans. They don't just commit crimes. They disgrace our nation. They degrade our society.

So in the next two weeks, there will be new measures to tackle violent crime.

And I tell you in all honesty, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. **We have already introduced mandatory**

sentences for repeat drug traffickers and referrals and drug-testing orders to force drug addicted criminals to get treatment. Tomorrow the Home Secretary will announce the next steps.

For every new opportunity we offer, we demand responsibility in return. Opportunities for all, responsibilities from all.

Responsibility means we no longer hand out social security benefits without conditions. Claimants have a duty to look actively for work and take jobs they are offered. Something for something. David Blunkett will outline our plans later today.

Responsibility from all means parents have a responsibility to ensure their children turn up to school each morning. Truancy stops a child fulfilling his potential. It also leads to crime and drugs. The courts now have the power to impose fines on parents whose children truant persistently. I want to see them used.

Responsibility means that if you have fathered a child you should help, at least financially, in bringing that child up. Our reforms to the child support agency will include provisions for driving licenses to be removed from fathers who deliberately and wilfully default on payments they owe.

Responsibility means supporting teachers and head-teachers not storming into the playground to complain when they have disciplined your unruly child. New powers will mean that heads can use parenting orders to restrain such parents.

Responsibility means not breaking probation. Those who do twice will now lose their benefits.

But responsibility must apply to those at the top as well. Responsibility for business means paying women the same as men for the same job. It means devising share schemes that benefit all employees not just directors. That is our agenda for responsibility. It is tough. But it will help to restore the values we all want to live by: respect, responsibility and decency.

The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to revive them. This does not mean going back to some soft-focus fantasy world of the Fifties, when homosexuality was illegal and women were made to work in the kitchen. It means again putting the best of the old and the new together.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Last year we took the first steps to encourage the expansion of voluntary work. This year, **through our volunteering initiative for active communities**, we have focused on ways not just of making it easier to give money but to make it easier to give time, energy and ideas as well.

It is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and

nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme. By the end of this Parliament there will be 1m fewer children in poverty.) We are committed over 20 years to erase child poverty.

We should help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through increased flexibility in hours; or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. These issues will be a major part both of the spending plans in July and in the pre-Budget report in November.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

Now: this is a very tall agenda. Have we as a country got the stomach for it?

It's very traditional in one sense. Tough on law and order. Supportive of the family. Strong on defence. Pro-business. But in another way, radical, tackling unemployment and poverty; investing in state schools and hospitals; fighting discrimination wherever it exists.

And all of it needing reform and modernisation to meet the challenge of a changing world.

It's easy to say yes, but let me spell out the hard choices: if we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend the same money on something else. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Next week we publish plans that allow people to carry on taking out pensions and benefits in cash; and with criteria that will protect existing rural Post Offices and give them a new lease of life. But be under no illusion: over the years more people will choose to have money paid into their bank account and all round the world, postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality.

Change is tough. Modernisation, painful; reform, nearly always opposed. But unless we take on the forces of conservatism that hold change back, then the irony is that the old values we seek to conserve, will disappear.

That's life. We know it as individuals. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term.

We have to rebuild Britain as a great and powerful nation for the 21st century. But it is not a challenge for the faint-hearted. It takes time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read some of press, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down. We've got enormous strengths, rightly envied round the world. Even today a report by the Economist shows Britain the second-best place in the world to do business, ahead not just of France and Germany and Japan but of the USA. But I don't want us second-best in anything. We showed how we could lead the world before. Now let's show how we can lead them again.

Look at yourselves in the WI. The old image, the old ways, cast off and now dynamic, engaged, socially aware, up to date with a real voice speaking with relevance about the condition of Britain. You haven't dropped your beliefs to do this. You haven't betrayed your past. You've renewed it. So with us, as a

nation. We must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face.

So I say today: respect the old, for what it still has to teach: respect for others, honour, self-discipline, duty, obligation, the essential decency of the British character. Let us take these old values and blend them with the challenge of the new world to fashion a Britain able to take on the world, strong in new daring and old wisdom, looking to the future while guarding all that is best in the past. That is what we seek, and all of you can help us to find it.

SPEECH TO THE WOMEN'S INSTITUTE

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At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean that the path to our fulfilment as individuals lies in society with others. Renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair.

And the way to rebuild it is by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

Again and again, when I analyse the world in which my children are growing up, I come back to the spectre of change. The world of business, and work, and with it community and social life is all in the throes of change. When Chinese workers are employed at one thirtieth of the cost, our workers have to create things that the Chinese cannot make. When 60 per cent of the people getting jobs are women, we cannot expect childcare and care of the elderly to be done in the old way. And when the new science of genetics of which the controversy over genetic modification is just a part, take overs from the internet as the next shaker of the never-ending kaleidoscope of change, it is no wonder people feel insecure, frightened for their future. If people have to change jobs many times in a working life, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of

the community on our side helping us to become the masters of this change, not its victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

So how can we make this happen?

It can only be done by putting new and old in harmony together. The idea of community is as old as time. Its values are responsibility to, and respect for, others.

These are traditional values, good old British values. But they aren't enough. If we are to create a country where everyone not just a few get the chance to succeed, we need to combine traditional ideas of responsibility with new opportunities open to all.

The spirit of this age is democratic. We won't rebuild community on the basis of deference or hierarchy. The rich man in his castle, the poor man at his gate: it won't wash any more.

Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of all its people. A class-ridden society can't do that.

This is socially desirable and, now, economically imperative.

The age of true equality is just beginning. Not equal outcomes but equal worth.

Opportunity to all and responsibility from all = a community for all.

Let me explain what I mean by putting new and old in harmony. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I know this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. We were accused, in doing so, of abandoning our basic values. But I always regarded it as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of "community".

My generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties. Yes, we want a renewal of civic society. We want a society of rules and order. But we do not want a society of hierarchy or prejudice.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes or practices may simply be barriers that hold our values back.

Let me put it even more prosaically. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He thinks it odd when I go to church in jeans, not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded to gay people.

My generation feels differently: tolerant of different lifestyles, but intolerant of crime.

And we love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at Blackadder or Only Fools and Horses but love the productions of Jane Austen or Bronte or

Dickens or more recently Elizabeth. We take the best of the past but we celebrate the new.

Obvious maybe, but necessary to explore because otherwise we impale ourselves on a false choice: either change is seen as an obliteration of our history; or alternatively a call for a society based on values is seen as a retreat into the past. The truth is that we need the core values of responsibility and respect for others; but they have to be applied in a way appropriate for today's world. The old values and the new ways go together.

So what are the practical consequences?

First, in the modern global economy, there is no left or right in economic management. There is right or wrong.

When we took office, the Chancellor and I decided to place interest-rates under the management of the Bank of England, an institution which goes back to the 17th century but is still sharp as a razor. It has proved a very sensible decision, and the Bank's interest-rate policy is one of the reasons why our economy is so strong.

The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, interest rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of over £100 per month.

But it only happened by change.

Second, we have to offer opportunity to all.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 **young people will have been helped off benefits and into work by the New Deal**. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. Again it happened through change. **It happened through putting the power of government on people's side.**

Then we must open up opportunities for better jobs, greater aspirations and ambitions, at every level of our society. In primary schools, there has been a huge improvement in literacy and numeracy. £680m extra spent on school buildings. But we need to extend this change to secondary schools. Whatever the opposition, we need to carry on the schools revolution. We should have a third of all comprehensives become specialist schools within two years. Better pay for teachers – in the next year almost half will get £2000 pa more than the usual pay rise, but tied to performance and standards. And Head Teachers will be able to earn up to £100,000 pa in a tough school doing a good job. More university places - over the next decade we should aim for 50% of young people to become graduates, up from a third today. Universal nursery education, not just for four but for three year olds as well. This year, for the first time in many years, school spending in the state sector will keep pace with the private sector. But the gap is still huge - £6000 pa for every private school pupil, under £3000 pa for every child at a state school.

One of the interesting things about taking a little time off with a new baby, is you see politics in a different way. Sitting there with him, watching the odd news bulletin I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fauntleroy or Karl Marx. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. Neither Gordon nor I will have any truck with old-fashioned egalitarianism that levels down. We are unashamed supporters of excellence. But we need to give far more of our kids a shot at it.

I said education was our No 1 priority. It still is.

Then we need new opportunities for adults to get skilled and re-skilled; help for people to start small businesses; for enterprise for all; for boosting productivity.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security.

Our goal must be to become the No.1 nation for education and the new technology in the 21st century. But it will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

You can apply the same fusion of old and new to transport or the NHS. We know our transport system is poor. We know we need to plan its improvement. It won't happen by market forces. But it will have to be done in a new way, financed differently; road and rail integrated; cities, as Manchester has with the Metrolink, finding new ways of tackling congestion; and where in rural areas, people depend on their cars, making sure that some at least have the choice of a decent bus service.

Or take the NHS. A great British institution. We should stay absolutely true to its values. But as I have been finding out in the past few months, working with those in the NHS, it is an institution riddled with inefficiency, out-dated practices, old-fashioned systems, where the staff work flat out, but in a system that desperately needs fundamental re-design. In truth, if we do not now make real changes in the NHS, then no matter how much money we put into it the NHS will slowly decline. I am determined not to let that happen. But again, we need the values, embodied in the NHS, given new life by change and reform.

We need to re-capture some of that post-war spirit of renewing the nation; but apply it afresh to our 21st Century lives.

Put bluntly, Britain is an "under-invested in" nation. If we want to open up opportunity and provide security for people in the world of change, we must invest in the future.

That's the opportunity side of community. Then, we insist on the responsibility side of the equation.

And you need both. We as a community, open up opportunity for all. But in return, we are prepared to be hard on those who won't play by the rules.

When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I confess, like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

The detestable football hooligans. They don't just commit crimes. They disgrace our nation. They degrade our society.

So in the next two weeks, there will be new measures to tackle violent crime.

And I tell you in all honesty, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. **We have already introduced mandatory sentences for repeat drug traffickers and referrals and drug-testing orders to**

force drug addicted criminals to get treatment. Tomorrow the Home Secretary will announce the next steps.

For every new opportunity we offer, we demand responsibility in return.

Responsibility means we no longer hand out social security benefits without conditions. Claimants have a duty to look actively for work and take jobs they are offered. Something for something. David Blunkett will outline our plans later today.

Responsibility from all means parents have a responsibility to ensure their children turn up to school each morning. Truancy stops a child fulfilling his potential. It also leads to crime and drugs. The courts now have the power to impose fines on parents whose children truant persistently. I want to see them used.

Responsibility means that if you have fathered a child you should help, at least financially, in bringing that child up. Our reforms to the child support agency will include provisions for driving licenses to be removed from fathers who deliberately and wilfully default on payments they owe.

Responsibility means supporting teachers and head-teachers not storming into the playground to complain when they have disciplined your unruly child. New powers will mean that heads can use parenting orders to restrain such parents.

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But responsibility must apply to those at the top as well. Responsibility for business means paying women the same as men for the same job. It means devising share schemes that benefit all employees not just directors. That is our agenda for responsibility. It is tough. But it will help to restore the values we all want to live by: respect, responsibility and decency.

The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to revive them.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Last year we took the first steps to encourage the expansion of voluntary work. This year, **through our volunteering initiative for active communities, we have focused on ways not just of making it easier to give money but to make it easier to give time, energy and ideas as well.**

And we need to support family life. A child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme. By the end of this Parliament there will be 1m fewer children in poverty. We are committed over 20 years to erase child poverty.

We should help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through increased flexibility in hours; or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. These issues will be a part both of the spending plans in July and in the pre-Budget report in November.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

Now: this is a very tall agenda. Have we as a country got the stomach for it?

It's very traditional in one sense. Tough on law and order. Supportive of the family. Strong on defence. Pro-business. But in another way, radical: tackling unemployment and poverty; investing in state schools and hospitals; fighting discrimination wherever it exists.

And all of it needing reform and modernisation to meet the challenge of a changing world.

It's easy to say yes, but let me spell out the hard choices: if we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend the same money on something else. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Next week we publish plans that allow people to carry on taking out pensions and benefits in cash; and with criteria that will protect rural Post Offices and give them a new lease of life. But be under no illusion: over the years more people will choose to have money paid into their bank account and all round the world, postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality.

Change is tough. Modernisation, painful; reform, nearly always opposed. But unless we take on the forces of conservatism that hold necessary change back, then the irony is that the old values we seek to conserve, will disappear.

That's life. We know it as individuals. And politics is no different. It is just personal choices writ large for society.

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~~Then as we make this investment and provide opportunity, we insist on the responsibility side of the equation.~~

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~~The Americans call it "tough love". I say: "something for something". But it is the same idea: effectively, a covenant for citizenship. We as a community, open up opportunity for all. But in return, we are prepared to be hard on those who won't play by the rules.~~

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The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to revive them. This does not mean going back to some soft-focus fantasy world of the Fifties, when homosexuality was illegal and women were made to work in the kitchen. It means again putting the best of the old and the new together.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

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old/new.

- community; δ ρ c. ; solidarity
 - responsibility to + for others.
 - equal worth ; opportunity
- $\therefore$ to realise it: • you remove the barriers to opportunity
- encourage resp.

both go together in every sphere.

PM

Instalment of speech material from GM. There are facts and policies here despite speech form.

DM

WI SPEECH FROM GM

Every society rests on a social contract – a shared responsibility for all, matched by responsibility from all.

My vision of Britain is simple: it is one Britain, a nation brought together, bridging the divides of region, class. A nation of fair play, where no-one is left out or left behind. A Britain where power, wealth and opportunity are in the hands of the many. A Britain of fair rules and fair chances for everyone.

Welfare

I have always said that we needed to be radical in reforming welfare. With millions still dependent on welfare we cannot afford not to be. For us the key is clear rights matched by clear responsibilities. Helping people to help themselves.

In the New Deal we said there would be no fifth option of a life on the dole. If there are fair opportunities young people should have to take them up. Over 200,000 have been helped into jobs. Over 20,000 have been sanctioned for refusing offers.

Now we will extend the New Deal to other age groups. A chance of work experience, training and subsidised job for everyone unemployed for more than 18 months. And a fair expectation that if there is a job available it should be taken up. Next year we will start extending the ONE service. All new claimants will have to attend a work-focussed interview on starting a claim. I see this as the model we need to follow. New rights – for lone mothers and the partners of the unemployed who will get access to extra help. New responsibilities [conditionality for lone parents??]. [In time extend extra help to mothers returning to work.]

New responsibilities

Welfare is just one area where we are using the power of government to support greater responsibility. We have increased sanctions for lone parents who refuse to name the father – but also introduced incentives to co-operate (£10 maintenance premium), because all parents should have to make a minimum contribution to maintenance. If they don't we should be prepared to use tough sanctions – including the withdrawal of driving licences for intransigent dads.

We are cracking down on the fraud that steals money from those who need it following the Grabiner report.

We are ending the situation where criminals can ignore the courts and continue to receive benefits. Refusal to comply with a probation order will lead to withdrawal of benefit.

It has always been my aim that we should be the most supportive government of the family ever.

Helping with money – CB WFTC ICC, and making a start on historic job of eliminating child poverty.

Helping with time off – parental leave, family leave – making public services fit the needs of today's families where there won't always be a mum at home.

Giving better services to meet parents needs – with comprehensive nursery provision and childcare putting right decades of neglect, Surestart in areas of greatest need because we know that investment in early years pays.

Bringing common sense to bear. Will soon be announcing new steps on adoption. I believe adoption has a bigger role to play. That its been undervalued in the past. Looking at measures like a national register, tougher rules for local authorities.

Dealing with the tougher issues of family life that too often get swept under the carpet – like teenage pregnancy where we have the highest rate in Europe; or domestic violence.

And doing what we can to support marriage. Encouraging marriage through schools, providing better marriage preparation. No embarrassment in saying that

on balance two parents better than one, and that where there are children marriage has great virtues in providing a framework for stable family life. Not denying the reality of modern life in which many marriages won't work out.

[Big new strand of policy on fathers. Promoting responsible fatherhood. Keeping non-resident fathers involved with their children as the corollary of responsibilities to pay maintenance. Looking at options of paternity leave.]

Active Community

If families are one of the pillars of our society the active community is the other one. WI an exemple of what can be done. Of people giving expression to their sense of responsibility.

There are things that need the full power and force of government. But governments don't create societies. A society is a community of people, who share common values and purpose, where everyone thinks of 'we' as well as 'me', about what they can put in as well as what they can take out.

Britain depends on voluntary labour of millions of people. Helping out in hundreds of thousands of community organisations. Helping out in public services – schools, hospitals.

And we are providing new means for cracking down on the antisocial neighbours who can wreck communities, with powers to fine and remove the worst offenders.

Social exclusion

Social exclusion matters because we all have a responsibility for what happens to our fellow citizens.

We inherited a truly appalling picture of social exclusion.

90000 teenage pregnancies every year

A third of children brought up in poverty

One in five working age households with no one in a job. One in 8 where no one has worked in the last 3 years

Seven million adults without adequate literacy

Homelessness: 1 in 5 16-24 year olds experience homelessness at some time in their lives

Drugs: 1 in 2 16-19 year olds have tried drugs

Family breakdown: 1 in 4 see parents split up by the time they are age 16

Crime: 1 in 6 16-24 year olds will be the victim of a violent offence in any one year

A huge waste of human potential. A huge burden on the rest of society in the form of rising crime, costs of social failure. We were not prepared to stand by. We have taken more concerned action than any government in British history.

Welfare to work to tackle unemployment – and 900,000 more jobs

Action, on youth crime speeding up court processes

Cracking down on truancy – so that if a child is walking the streets during school hours the police have a duty to return them to school

Bringing rough sleeping numbers right down and on track to achieve 2/3 reduction by 2002.

Family

I believe that every society depends on families. Families prepare the next generation. Families teach us right from wrong. Families provide the care that even the best funded public services can never match.

But modern families facing new stresses and strains. Juggling work and home. Demands from children. Looking after grandparents.

Our approach has been very simple. Providing practical support. Not preaching care for the elderly. Unsung heroes. We want to support and encourage. Putting the power of government behind the community.

We have been supporting better ways to link people to volunteering needs – like the Timebank and 'the Site' which is using the Internet to showcase tens of thousands of volunteering opportunities, and the demonstration projects being run across the country from Brighton to north Tyneside.

We have been developing better opportunities to get involved. Like the Millennium Volunteers programme which I launched a year ago and which now has 4000 young people involved, protecting the environment, helping out in schools, and youth and sports clubs, and which aims to bring the number up to

100,000 and to reverse the fall in young people's volunteering that happened in the 1990s.

We have been working with business – supporting the Carers Incorporated and City Carers project which is getting underway in 10 cities in all parts of the UK, and will bring another 100,000 people into volunteering.

We are preparing to introduce citizenship education in 2002, which will encourage much more volunteering in schools and many more projects led by young people. ✓

We are developing new sources of funding through the Social investment task force which will develop new ways of raising money for voluntary organisations and social entrepreneurs.

And we are looking at how to remove the barriers in the benefits system which now discourage people from volunteering.

Bringing more people in to help public services – because schools work so much better with the involvement of parents; hospitals do a better job with volunteers to befriend; policing works better if the community plays its part through things like Neighbourhood Watch.

Perhaps most important of all is harnessing the energy of the over-50s. We have 2.8 million people between 50 and pensionable age not engaged in work. Many of them have a huge amount to contribute. But often underestimated.

Major report on Active Ageing has helped raise level of debate. We are working now on creating an Experience Corps which will be a network of projects all over the country using older people as volunteers in the voluntary sector, public services. Giving proper recognition where its due.

Do-gooder shouldn't be a term of abuse, but a badge of pride.

Appendix 5

Improving the Quality of Patient Care and Creating Efficiency

Patients will see a discernible improvement in healthcare while the Pilot will demonstrate that quality and efficiency are compatible partners. Examples of this include:

- The reduction of patient waiting times throughout the organisation and the movement towards "one-stop" diagnosis and treatment. This will produce a reduction in the social and health costs for those patients awaiting an intervention and will reduce the sizeable administration costs of making multiple appointments and managing large waiting lists. The Pilot will demonstrate that patient quality improvements and savings, particularly in primary care, will be achieved through the reduction of waiting lists in secondary care.
- The appropriate person doing the appropriate task in a timely fashion. Such as nursing auxiliaries pre-screening patients, nurses running chronic disease management clinics, and GPs using their specialist training in the Pilot's new clinic.

Benefits to Patients

The long term success of this pilot will be assessed by demonstrating significant improvement to the healthcare experienced by the patients. The benefits we will achieve are:

- Consistent advice wherever the patient contacts the service
- The open sharing of accurate information will reduce significantly duplication of effort
- The advice and treatment plans will be based on the best available evidence and therefore consistent.
- The clinic will provide a 'one-stop' experience.
- Referral system will be streamlined
- Hospital stays will be supported by care managers to improve the quality of stay and reduce the length of stay
- Colchester will be a healthier place.

The Development of the Pilot Proposal and the Way Forward

The Colchester Health Initiative Pilot has been developed over the past year and involved all organisations involved in the provision of healthcare in Colchester. The two-day *Step Change* simulation, attended by all players in the local health economy, started the process rolling in May 1999. PCA and the Colchester PCG Development Committee worked together during the summer and autumn to understand the current healthcare provision in Colchester and identified many of the improvements required. A Pilot proposal document was prepared and submitted to the NHS Executive Eastern Regional

Office. A Proposal Evaluation Group was established by the Colchester PCG to review and comment upon the Pilot proposal; this Group has now issued its report. All of these recommendations have been accepted and incorporated into the Pilot proposal. In considering the Pilot proposal, both of these documents should be reviewed.

The formal start date for the Pilot would be April 2001 although a great deal of preparatory work would be started once approval was obtained in late June. In particular the recruitment of staff and the design and planning of the Clinic would be commenced in late summer. It would be hoped to start building on the clinic before Christmas so that it could be opened in the autumn of 2001. Staff would be recruited as soon as possible so those nurses in the various care management teams would begin operating in 2001.

Appendix 6

Financial and Contractual Relationships

There will be four major contractual relationships within the Pilot. The PCG(T) will develop contracts with the Health Authority, the hospital, individual GP practices, and with PCA to manage the Pilot.

The PCG(T) and The Health Authority

The Health Authority will commit to fund the pilot on a multiyear basis at standard weighted capitation and will set minimum standards for quality and activity levels. The PCG(T) will commit to outcome and activity levels and will ensure that its ongoing expenditure will not exceed capitation income.

The Health Authority will monitor and audit the Pilot on a regular and consistent basis with support from the Department of Health/ Eastern Region Office, a national audit company, and an independent academic institution.

The PCG(T) and The Hospital

The hospital will be the secondary care partner of choice for the PCG(T) and a contract will be established to reflect this. There is an urgent need to restructure the activities at the hospital refocusing their efforts to acute work. The shift of activity out of the hospital will produce savings in the long-term. The Pilot will manage this transition and will cover the short-term transitional costs.

The PCG(T) and the Hospital will jointly produce a five-year plan, which will cover this restructuring, including the introduction of the Clinic.

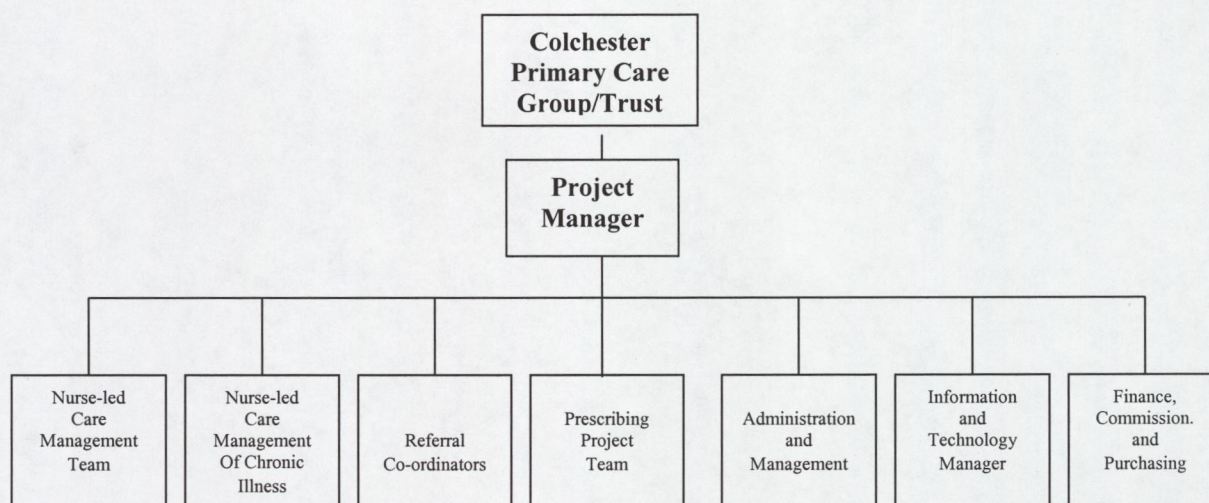
The PCG(T) and the Colchester GP Practices

One of the fundamental elements of this pilot is the active involvement of all practices within the Colchester PCG(T). To produce consistent and seamless care across the PCG(T) each Primary Health Care Team will need an input into the development process and be trained in the guidelines that are produced. The pilot is sufficiently flexible to allow Practices to choose the extent of their involvement with each aspect of the project. There are certain commitments that have to be agreed by every practice but the wider involvement is voluntary and indeed, the Pilot should consider any worthwhile proposal. The agreement between the individual practices and the Pilot will have certain key elements and anything above or beyond these will be by specific agreement with each practice.

The PCG(T) and PCA: Managing the Pilot

The PCG(T) will contract with PCA to manage the Pilot. PCA will appoint a project manager who would be responsible to the Chief Executive of the Colchester Primary Care Group/Trust. This arrangement will ensure that all activities of PCA are consistent with the Trust's guiding principles and clarify the roles and relationship of the PCG(T) and PCA.

Below is the intended organisational structure of the PCA project team:



The agreement will be for an indefinite period with break clauses at 5 years, which is the end of the pilot, and at subsequent regular intervals for review and updating.

The income for the Pilot would be paid at regular intervals into the Pilot pool, i.e. bank account. PCA would, under contract from the PCG(T), control spending and would be at full risk if spending exceeded income.

All payments for the pilot would be made from the pilot pool bank account, which would therefore provide a complete record of the relevant transactions which would be available to the HA, the PCG(T), constituent practices, PCA and auditors. Under contract with the PCG(T), PCA would operate the account and would be required to see that the account is not overdrawn. Expenditure from the account could exceed the payments into it from the HA only for investment or transitional purposes. These would be undertaken only if they would not lead to ongoing expenses in excess of capitation, at the end of the pilot period.

Initially the income from the HA would be largely or wholly used up on existing expenses of the PCG(T) on staff, accommodation, supplies, etc. The costs of innovations e.g. additional nurses and IT and the services of PCA itself would be met from money deposited in the pilot account by PCA.

The net effect, at least in the early years of the Pilot, would be that PCA would be out of pocket by an amount close or equal to the total innovatory expenditure. PCA would be able to recover this amount and cover its financial costs only to the extent that the Pilot's innovations yield financial savings (as well as healthcare gains) which allow PCA to be repaid and remunerated from within capitation. This would be a substantial financial risk to PCA. But from the point of view of the NHS the risk would reinforce the contractual requirement that on-going expenses should not exceed capitation at the end of the Pilot.

The Pilot will be structured so that in the event of failure the local health economy will not be burdened with inappropriate on going liabilities.

Appendices:

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Appendix 1

Integrated Care

Primary Care Groups and Trusts were established to integrate the care between primary, secondary, and community care providers. By integrating care, patients will receive a seamless service, healthcare will be provided at the most appropriate location by the most appropriately trained staff, and the bottlenecks and delays in the current system will be addressed.

Integrated care will improve the quality of care for patients with chronic conditions by ensuring that intervention is early and continually monitored, and that expensive complications are prevented where possible. By co-ordinating care, common standards of care will be ensured across the service, NHS staff will be able to concentrate their efforts on work, which makes the most of their specific expertise. This will produce greater job satisfaction, high quality healthcare and financial efficiencies that will be reinvested into the NHS. Integrated Care is the cornerstone of all National Service Frameworks and a common theme for NHS Beacon sites. However, Integrated Care has yet to be implemented in systematic fashion by any Primary Care Group or Trust.

Integrated Care will require very good management and information systems. The implementation of Integrated Care will mean a significant reconfiguration of services, as much healthcare will be moved away from traditional hospital settings and into the community to allow the hospitals to concentrate on acute care. Successfully implementing Integrated Care will ensure that this transition is as rapid as possible while at the same time does not destabilise the remaining hospital services. The Pilot is a collaborative initiative between the Colchester Primary Care Group/Trust and the Essex River Healthcare NHS Trust (the hospital) supported by PCA.

SPEECH TO THE WOMEN'S INSTITUTE

speech\womens institute
as at 6 June 1600
words: 5350

At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean the broader idea that the path to our fulfilment as individuals lies in society with, and not in isolation from, others. My argument to you today is that the renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair, where opportunity and security are reserved for the minority not the broad majority of British people.

I will further argue that community can only be rebuilt in the modern world by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

We all know what we want.

A strong economy, rising living standards, good schools, an NHS which is there when we need it, secure streets. But there is no possibility of achieving it – absolutely none – unless we both return to our core values as a nation as a community and then revolutionise the means of their application for the modern world.

And today's world is above all a world in the throes of change more dramatic and faster than at any time since civilisation. Again and again, when I analyse the

when a nation is involved
in a global economy, & by
not making a technology
we lose out,

world in which my children are growing up, I come back to the spectre of change. The global economy; the technological information revolution, are all transforming the world of business and work, community and social life bringing massive insecurity as well as opportunity in its wake. When Chinese workers are employed at one fiftieth of the cost, our workers have to create things that the Chinese cannot make. When 80 per cent of new jobs go to women, we cannot expect childcare and care of the elderly to be done in the old way. The new science of genetics, the investigation of the human genome, of which the controversy over genetic modification is just a part, will, in all probability, take over from the internet as the next shaker of the never-ending kaleidoscope of change.

The fear of being out of
communication is now about
not being able to
a new &
universal

It is exciting and it is frightening and it is new.

No wonder people feel insecure and worried for their future. In this world of change, we will only survive and prosper if we act together to provide the opportunity and security people seek. If people have to change jobs many times in a working life, if industries come and go in a matter of months, if a crisis in Asia can cause, as it has, jobs to go in County Durham in my constituency, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of the community on our side helping us through it. Our challenge is to use the power of community, of us acting together to become the masters of this change, not its victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

So how we make this happen? How do we preserve the best of our history, our way of life and yet meet the challenge of this change? We know we can't resist it – stop the world, I want to get off. We know if it just happens to us, then we sink or swim, and many of us will sink. So we want to manage change, make it work for us, and we know, instinctively that has to be done together, with shared purpose, as a community.

It can only be done by putting new and old in harmony together. The idea of community is an old The values that it are responsibility to, and respect for, others. Duty. Not selfish individualism. But enlightened self interest that recognises we need to depend on each other to get through.

There are traditional values, good British values, The modern world has in many respects eroded them. How we have to re-claim them precisely to meet the challenges of the modern world.

But here is the challenge to us. If all we do is talk about these values and mourn their passing, we are indulging in nostalgia. Wouldn't it be nice to have the good ole days back again? It may be comforting but it would be futile.

If we really want to build Britain as a community again, we must face up to two things. We must face the reality of the modern world without flinching or putting our heads in the sand, take the hard To push us ahead of the change not behind it. Plus, we need to recognise:

The spirit of this age is democratic. We won't rebuild community on the basis of deference or hierarchy. The rich man is his castle, the poor man at his gate: it won't wash any more if, in truth, it ever did.

This is a social truth and an economic necessity. Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of its people. A class-ridden society can't do that.

A modern community must be built around the notion of the equal worth of each citizen. That is true equality. Not equal outcomes but equal worth. If we do not provide opportunity, we will fail to achieve responsibility.

Opportunity to all and responsibility from all = a community for all.

So:

Old-fashioned values, yes

Outdated
Old-fashioned attitudes, no.

Let me explain what I mean by putting new and old in harmony. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I am familiar with this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. Frequently we were accused, in doing so, of abandoning our basic beliefs. To ditch a long-cherished policy was to ditch values people said. But I always regarded it and still do as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the

W. D.

values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of the idea of community. The building block is responsibility, respect for others. Without responsibility to others, there is no law-abiding conduct. There is no basis for the family. There are no public services. There is no shared purpose. It is the foundation of civic society. It always has been and always will be. So, to renew civic society is to renew the concept of mutual responsibility.

But my generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties or the laissez-faire of the eighties. Yes, we want a renewal of civic society. We want a society of rules and order. But we want it for today's world. We do not want a society of hierarchy or prejudice. We want to put the new and the old in balance.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes may simply be barriers that hold our values back. Old-fashioned mocking may just be vested interests. Let me put it even more prosaically. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

These are all old-fashioned virtues and values and I hope we all share them and accept our responsibility to instil them in our children as our parents did in us.

We want them back.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He thinks it odd when I go to church in jeans, not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded on issues like race or in attitudes to gay people.

one probably was
They were probably a lot more active sexually than they ever let on; but they talked about it less frankly than we find natural.

My generation feels differently: we're for good manners but casual dressing; tolerant of different lifestyles, but intolerant of crime.

We love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we

have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at The Simpsons or Only Fools and Horses but love the the productions of Jane Austen or Bronte or Dickens or more recently Elizabeth. We take the best of the past but we celebrate the new.

All this is necessary to explore because otherwise we impale ourselves on a totally false and dangerous choice: either change is seen as an obliteration of our history; or alternatively a call to return to a society based on clear values, is seen as a retreat into the past. The truth is that we cannot renew civic society without a return to the core values of responsibility and respect for others; but these core values have to be applied in a way appropriate for today's world.

So: enough of the philosophy. What are the practical consequences for Britain and Government policy?

First, in the modern global economy, there is no left or right in economic management. There is right or wrong.

When we took office, the Chancellor and I decided to place interest-rates under the management of the Bank of England, an institution which goes back to the 17th century but is still sharp as a razor. It has proved a very sensible decision, and the Bank's interest-rate policy is one of the reasons why our economy is so strong.

The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, mortgage rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of £100 per month.

But keeping that way will require us to carry on A tough disciplined policy.

Second, we have to re-build support for the work ethic in every part of our society, not have a group of people cut off from society's mainstream, children brought up in families where no-one works or is every likely to. We are matching with responsibility.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 of them through the New Deal. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. It happened through change.

Mind, we must open up opportunities for people to get on, do better, have greater aspirations and ambitions, at every level of our society. In primary schools, there has been a huge improvement in literacy and numeracy. £x bn spent on school buildings. But we need to extend this change to secondary schools. 50% of our kids still don't get five GCSEs. Whatever the opposition, we need to carry on the schools More specialist schools, whose results rose 12% in one year. We should have a third of all comprehensives specialists within two years. Better pay for teachers – in the next year almost half will get

£2000 pa more than the usual pay rise, but tied to performance and standards. Head Teachers who can earn £100,000 pa in a tough school doing a good job. university places, over the next decade we should aim for 50% of school leavers to become graduates. nursery education not just for four but for three year olds as well. For the first time in many years, this year school spending in the state sector will keep pace with the private sector. But the gap is still huge - £6000 pa for every private school pupil, £3000 pa for every child at a state school.

One of the interesting things about taking a little time off with a new baby, is you start to think like a normal human being again. Sitting there with Leo, watching the odd news bulletin, I have been utterly bewildered by the debate over state schools and Oxbridge. I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. Indeed everyone seems to agree on that. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fauntleroy and Dave Spart. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. I will have no truck with old-fashioned egalitarianism that levels down. But I am a passionate believer in equality of opportunity. I am an unashamed supporter of excellence. But we need to give far more of our kids a shot at it.

I said education was our No 1 priority. It still is.

Then we need new opportunities for adults to get skilled and re-skilled. We need help for people to start small businesses. A greater push for enterprise for all, for boosting productivity. We need to embrace the new technology – all of us.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security. The role of us as a community, is to help people through the change; "old" perhaps in our responsibility to others; but determinedly "new" in our means of breaking down the barriers to opportunities for all. Our goal must be to become the No.1 nation for education and the new technology in the 21st century. Of course it will take time. But it will take more. It will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

None of this can be done without facing up to change, together, deciding, as the nation, this is what we need to do to succeed and getting on and doing it; the traditional values of community helping us through the maze of modern life. You can apply the same fusion of old and new to transport or the NHS. We know our transport system is poor. We know we need to plan its improvement. It won't happen by market forces. But it will have to be done in a new way, financed differently, road and rail integrated, cities, as Manchester has with the Metrolink, finding new ways of tackling congestion, and where in rural areas,

people depend on their cars, making sure that some at least have the choice of a decent bus service.

Or take the NHS. A great British institution. We should stay absolutely true to its values. But as I have been finding out in the past few months, working with those in the NHS, its an institution riddled with inefficiency, out-dated practices, old-fashioned systems, where the staff work flat out, but is a system that desperately needs fundamental re-design. In truth, if we do not now make real changes in the NHS, then no matter how much money we put in the NHS will slowly decline. I am determined not to let that happen. But again, its our values, embodied in the NHS, given new life by change and reform.

But it does need investment. So do our schools. So does our transport. So do other parts of our creating infrastructure. Pub bluntly, Britain is an "under-invested in" nation. If we want to open up the opportunities and provide security for people in the world of change, we must invest. We need to re-capture some of that post-war spirit of renewing the nation; but apply it afresh to our 21st lives.

So: supposing we make this investment, we provide this opportunity. The result entitles us to match up the responsibility side of the equation.

The Americans call it "tough love". I say: "something for something". But its the same idea: its effectively a covenant for citizenship. Together, we accept as a community, a responsibility to open up opportunity for all. But in return we can be tougher, more direct, more insistent on demanding something back from the individual, on responsibility being mutual. So if we are putting billions of pounds into the New Deal for the unemployed, people can't be expected to sit at home claiming benefit if they could work. If you are a teenage mum and want

help, you should be in a proper hostel or home where there is support but also education and improvement. If, as I hope we can, we expand youth services and sports facilities for our youngsters, they should not be hanging round street corners at night or disturbing old folk in their homes.

We can then set about creating a society of genuine respect for others and be prepared to be hard on those who won't play by the rules.

When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

The detestable football hooligans. They don't just commit crimes. They disgrace our nation. They degrade our society.

In the next two weeks, we will announce the new measures to tackle violent Crime.

And I tell you in all honesty on the issue of crime, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. And we need tougher measures. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted

crackdown on every aspect of drug abuse this or any western developed country has seen. Tomorrow the Home Secretary will announce the first steps.

We then need the same values applied to the bedrock of a decent society, the family. The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to take measures to strengthen them again. This does not mean going back to some soft-focus fantasy world of the Fifties, when homosexuality was illegal and women were made to work in the kitchen. It means reinventing the notion of community for today's world.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Marriage is a good institution because it helps couples to stay together, though it is underlying commitment that matters most.

It is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

I have thought long and hard about how to promote these values, in part I have thought long and hard about how we promote these values, probably because I am so lucky in my parents and my wife and I want others to have the happiness I have had. But I have concluded that the only thing that makes sense is to define the responsibility of us all in a rational way. Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme for vulnerable and very poor families.

People attacked us for removing the MCA. That's anti-marriage they said. I simply say. The MCA used to be paid at 40%. The previous government reduced it to 15%. We abolished it. Why? Because we discovered the MCA was not just paid to married couples; it became paid to unmarried couples; it then was paid to single parents as well as couples; and on divorce, it was also paid and for the first year after divorce at double the rate. We decided to recognise that the only thing about it that promoted marriage was its name and that it was better instead to focus help on children.

And then to help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through increased flexibility in hours, through making sure that working women are paid the same as working men; or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. These issues will be a major part both of the spending plans in July and in the pre-Budget report in November.

In return, society is entitled to ask responsibility from parents. A child is for life – fathers owe a responsibility and once we have sorted out the absurdities of the CSA, we can give effect to that better. Parents have a duty to see their kids aren't playing truant; aren't out late at night causing mischief.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

It takes commitment to keep a family together. It takes altruism to keep a community together. The British are famous for their voluntary work – and that is another national achievement of which we should all feel proud. X million of you each year choose to help other people for no reward save the satisfaction of being able to make someone else's life better. That is a triumph for those of us who believe that money isn't everything, that we are not motivated solely by greed. There is a genuine altruism that pervades this country and it is a precious gift that needs care and attention.

[policy]

In this way, we can again make sense of old and new, taking the proud British tradition of volunteers and providing new opportunities for it to help succour and deepen our social and community bonds.

Now: this is a very tall agenda. It means the economic and social reconstruction of Britain. Have we as a country got the stomach for it? It's easy to say yes, but none of this is possible without two more hard choices.

First, if we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend as much on other things. If we simply spend money in the NHS or schools without fundamental reform, I promise you the money will be wasted. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Today we publish plans that allow us to do so. But be under no illusion: of course people should be entitled to receive their payments in cash; but we can't force people to do that and over the years increasing numbers will choose to have the money paid into their bank account. In addition all round the world postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality and the challenge of change.

If we want to conserve we have to change. Where forces of conservatism or reaction stand in the way of necessary change, they undermine the very values we seek to conserve.

There is a curious paradox I find in politics: people say: we want politicians to tell us the truth; then you say something people don't want to hear and they say: you're out of touch. It's what I mean by hard choices. That's life. We know it

in our personal lives. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. The baby has had an extraordinary calming influence. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term.

We were elected because of two terrible recessions in the 1980s and 1990s, because we had slipped to 42nd in the world education league, because crime had doubled, and because the NHS had been broken up. On each count, progress has been made: the economy has had continuous steady growth, primary school standards are rising, burglary is down 20 per cent, and the NHS is now seeing more patients, faster, than at any time in its history. But I am the first person to say that as long as there are one million unemployed 50 per cent of school leavers without five good GCSEs, NHS treatment variable in quality and speed, and violent crime is rising, then Britain needs a lot more change to fulfil all our ambitions for a better life. I want to offer that change, firmly rooted in our values. But it will take time, if it is to be done to last.

Whatever our triumphs, particularly in saving the world from fascism, the 20th century of decline for Britain. Now we have the of us as a great and

powerful nation for the 21st century. But it is not a challenge for the faint-hearted. It takes time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read our newspapers, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down. We've got enormous strengths, rightly envied round the world. Even today a report by the Economist shows Britain the second-best place in the world to do, ahead not just of France and Germany and Japan but of the USA. But I don't want us second-best in anything. We showed how we could lead the world before. Now let's show how we can lead them again.

I have a clear vision as to how that can be done: by building a nation of opportunity for all and responsibility from all in a world of change. Look at yourselves the WI. The old image, the old ways, last off and now dynamic, engaged, socially aware, up to days with a real voice speaking with relevance about the condition of Britain. haven't dropped your beliefs to do this. You haven't betrayed your past. You've renewed it. So with us, as a nation. We must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face.

So I say today: respect the old, for what it still has to teach: old standards of behaviour, old codes of honour and self-discipline, old-fashioned notions of duty and obligation. Let us take these old values and blend them with the challenge of novelty - the glittering sword of the new, the stout shield of the old - to fashion a Britain able to take on the world, strong in new daring and old wisdom, looking

to the future while guarding all that is best in the past. That is what we seek, and all of you can help us to find it.

COUCHINGLOI





Prime Minister..
From: Philip Gould
Tuesday,

WI speech.

1 This is a good speech, strong speech.

2 The problem is that dropping this speech into the current context runs the risk of looking defensive or retreating.

3 The obvious answer is to strengthen policy and make the responsibility section tougher. I think that you should do both of those.

4 However easily the most effective way of strengthening the speech and giving it the bite and edge it needs is to strengthen the opportunity argument. This may be counter intuitive but it will work. Reading it again the opportunity argument just sounds weak. I think perhaps that constant working on the speech has hidden just how weak it is. That makes the speech sound defensive, makes it seem like we are retreating. I think you should be much, much stronger on opportunity, merit, unfairness, and go as far as you can in terms of breaking down barriers. There was an earlier paragraph on 'forces of conservatism' that was taken out, but I liked it. In any event I think you need a stronger, more powerful opportunity section. That will help the speech more quickly than anything else.

5 If you do that it gives you the permission to push the boat out on responsibility. The trick of strengthening the speech is to give more edge to both concepts.

6 If you can, and I know it is difficult, you need to take the argument to Hague and the right. Not directly but by arguing that the erosion of responsibility follows the erosion of community which follows the rejection of society and the free market attitudes of the Tories. I know it is hard to say this directly then at least imply it. You can toughen it in the briefing.

7 If you do this: really strengthen opportunity, give even more edge and policy to responsibility, start an intellectual offensive against the right you will close off your problems and get back onto the front foot.

8 As I said before this is basically a good speech.

From: Julian Braithwaite
Date: 6 June 2000

PRIME MINISTER

WI SPEECH

Your redraft attached. I circulated it internally (I plan to circulate the next draft to departments for final fact-checking and cross-referencing).

Alastair will be speaking to you separately. Other comments:

- **Phil B** says it is now probably twice as long as they expect – about 45 minutes. Nevertheless he thinks it will need a bit more on women given the audience. **Sally** agrees and has suggested the following introduction:

“I am delighted to be here today. I know from my own experience, from my wife, my mother, my mother-in-law, that women in many ways are the bedrock of society. Whether at work or not you are the lynchpin of your families, providing love, support, guidance, rules for your children and grandchildren. You keep the show on the road. (How many of you leave the house littered with yellow post-it notes if you are leaving them to fend for themselves!)

You want your children to grow up in a society where mutual respect and responsibility matter. You are worried about the threat of drugs....ie, try to personalise. Also possibly talk about them at the frontline of public services...so they understand why we have started in the way we have, that it can't all be done overnight” etc.

- **David Miliband** suggested we put in several paragraphs to tie the text in with the Government's record on issues that the audience are likely to relate to, and also make a reference to Dunkirk. I have attached several possible draft paragraphs, and the background texts they are based on.

JULIAN BRAITHWAITE

DUNKIRK (page 3, after "...on each other to get through")

Last week's Dunkirk anniversary showed us all once again what a debt of gratitude we owe our parent's and our grandparent's generation. The men and women who worked and laid down their lives during the second world war represented all that is best and all that is timeless about British values. They fought, they worked, to defend our traditions of democracy, fair play, tolerance.

PRIMARY SCHOOLS (page 9, after "...£3000 pa for every child at state school")

Education is about investing in our people for the long-term. That is why we started a long-term process of reform, beginning from the bottom up with our primary schools. We needed to get class sizes down. And we are making progress. Only 11% of young children are today being taught in classes over 30, compared with 22% a year ago. But there is still much more to do.

CANCER (page 11, after "...given new life by change and reform")

There's a lot more to be done. But we've also started to see results in the NHS – improved services, new hospitals. Over 56,000 women with cancer have already benefited from our guarantee that they will see a specialist within 2 weeks of urgent referral by their GP. This year we are expanding this to cover all urgent GP cancer referrals. It's still not good enough, far from it. But we've made a start. But this shows that investment allied with reform can produce *results*.

CRIME (page 12, after "...measures to tackle violent crime")

This is the only way to tackle with seemingly intractable long-term problems. By targeting them with long-term solutions. I know how you feel, how we all feel, about the rise in crime. We have set about dividing up the problem and taking it on. I'm not complacent. We've only made a start. But take burglary, where we introduced a 3 year minimum sentence for third time burglars and invested £150 million on CCTV and £60 million on our burglary initiative to cover 2 million homes in high crime areas. And we're starting to see results. Domestic burglary has fallen 20% since 1997. Overall recorded crime is down 7%.

From: Isobel Hopton
Sent: 06 June 2000 11:37
To: Julian Braithwaite
Subject: burglary

Domestic burglary has fallen by 20% since the election (overall recorded crime has fallen by 7%). Fell by 5% in year to Sept 99 - latest figures.

What we are doing

Introduced 3 years minimum sentence for 3rd time burglars.

We are putting in the resources to ensure police numbers will start rising again (they've been falling since 1993) Crime Fighting Fund will enable recruitment of at least 3,000 new officers this year and 2,000 the year after.

Increasing referrals for treatment of criminals with drug problems to break vicious circle of drug addiction and property crime - around a third of all acquisitive crime is linked to drugs. £20m programme to establish an arrest referral scheme in every police station, to encourage offenders with drug problems to seek treatment. The new Drug Treatment and Testing Order gives offenders with drug problems a chance to tackle their drug misuse. These schemes, once operating nationally, could reduce property offences by up to 200,000 crimes a year.

Investing £150 m on CCTV and £60m on burglary initiative to cover 2 million homes in high crime areas - should be preventing at least 15,000 burglaries a year by 2001-2.

Crime Reduction Strategy - supported by £400 million investment

Key of strategy are local Crime & Disorder reduction partnership and police force and efforts we are making to ensure all are performing to their maximum potential

Every police force and local crime & disorder reduction partnership now has to set themselves targets under three key crime indicators: vehicle crime, **domestic burglary** and robbery

The publication of recorded crime statistics at Basic Command Unit level, and from July 2000 by reference to partnership areas, will provide a clearer view of performance across the country in reducing crime - so you can see how good your local force is at tackling burglary.

From: Isobel Hopton
Sent: 06 June 2000 10:48
To: Julian Braithwaite
Subject: achievements on cancer

Over 56,000 women with suspected breast cancer have already benefited from our guarantee that they will see a specialist within 2 weeks of urgent referral by their GP. This year, we are expanding this to cover **all** urgent GP cancer referrals.

Published cancer referral guidelines for GPs. These have been developed to support the implementation of the two week standard for urgent referrals, and are to be circulated to all GPs shortly.

Introducing booked admissions for cancer treatment through Cancer Services Collaborative - £6m initiative to streamline care process and reduce delays. Lessons learnt will be disseminated throughout NHS.

More funding (England only)

£70m already invested in improving breast, colorectal, lung and outpatient cancer services since May 1997.

£80m extra (over two years from 2000/2001) to improve access to cancer care and to improve service for gynaecological cancers.

£100m from the Capital Modernisation Fund over the next three years as part of increased investment to modernise NHS buildings and equipment. The money will pay for CT scanners, simulators and planning computers to diagnose and treat cancer more quickly and effectively.

£116m from the national lottery New Opportunities Fund over next three years for cancer prevention, diagnosis, treatment and care. £93m going on cancer equipment. The remaining £23m will fund projects to improve home care for cancer patients and better support for carers.

More staff

400 extra **Cancer specialists** in training - will increase number of qualified specialists over the next 5 years by up to 80%.

Appointed Professor Mike Richards (from St Thomas's) to lead our effort against cancer. New cancer target has been set to reduce death rates from cancer by 20% in those under 75 (and thereby prevent up to 100,000 deaths from cancer) by 2010.

From: Isobel Hopton
Sent: 06 June 2000 11:11
To: Julian Braithwaite
Subject: primary schools

This is what I've got so far - I've asked DfEE if there's any more

Class sizes

Latest figures (January 2000) show only 177,020 5-7 year olds are in classes over 30. This is a reduction of nearly 308,000 since January 1998. Only 11% of infants are now being taught in classes of over 30, compared with 22% a year ago.

Average size of classes for children aged 8-11 has also fallen, from 28.4 to 28.3 between January 99 and January 2000.

Raising standards

Literacy and numeracy standards are improving. The Key Stage 2 results for 1999 show a significant improvement - but still much to be done to reach Government targets of 80% in English and 75% in Maths by 2002.

% of 11 year olds reaching key stage 2

	English	Maths
1997	63%	62%
1998	65%	59%
1999	70%	69%

Results prove success of literacy hour, the daily Maths lesson began in September 99.

Education spending

By 2001-02, annual spending will be £10 billion higher than 1998-99. We are already spending £300 more per pupil in real terms than in 1997/8, with an increase between 1999/2000 and 2000/1 of £180 per pupil. This year part of that has been delivered through direct grants to schools - £40,000 for a typical secondary school and up to **£9,000 for every primary school** (Budget 2000)

Small/rural schools

£40 million (Small School Support Fund) made available to support small schools in raising standards by encouraging greater commitment to sharing and collaboration.

Computers - 62% of primary schools now on-line - up from 17% in 1998.

SPEECH TO THE WOMEN'S INSTITUTE

speech\womens institute
as at 6 June 1600
words: 5350

At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean the broader idea that the path to our fulfilment as individuals lies in society with, and not in isolation from, others. My argument to you today is that the renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair, where opportunity and security are reserved for the minority not the broad majority of British people.

I will further argue that community can only be rebuilt in the modern world by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

We all know what we want.

A strong economy, rising living standards, good schools, an NHS which is there when we need it, secure streets. But there is no possibility of achieving it – absolutely none – unless we both return to our core values as a nation as a community and then revolutionise the means of their application for the modern world.

And today's world is above all a world in the throes of change more dramatic and faster than at any time since civilisation. Again and again, when I analyse the

world in which my children are growing up, I come back to the spectre of change. The global economy; the technological information revolution, are all transforming the world of business and work, community and social life bringing massive insecurity as well as opportunity in its wake. When Chinese workers are employed at one fiftieth of the cost, our workers have to create things that the Chinese cannot make. When 80 per cent of new jobs go to women, we cannot expect childcare and care of the elderly to be done in the old way. The new science of genetics, the investigation of the human genome, of which the controversy over genetic modification is just a part, will, in all probability, take over from the internet as the next shaker of the never-ending kaleidoscope of change.

It is exciting and it is frightening and it is new.

No wonder people feel insecure and worried for their future. In this world of change, we will only survive and prosper if we act together to provide the opportunity and security people seek. If people have to change jobs many times in a working life, if industries come and go in a matter of months, if a crisis in Asia can cause, as it has, jobs to go in County Durham in my constituency, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of the community on our side helping us through it. Our challenge is to use the power of community, of us acting together to become the masters of this change, not its victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

So how we make this happen? How do we preserve the best of our history, our way of life and yet meet the challenge of this change? We know we can't resist it – stop the world, I want to get off. We know if it just happens to us, then we sink or swim, and many of us will sink. So we want to manage change, make it work for us, and we know, instinctively that has to be done together, with shared purpose, as a community.

It can only be done by putting new and old in harmony together. The idea of community is as old as time. The values that underpin it are responsibility to, and respect for, others. Duty. not selfish individualism. But enlightened self interest that recognises we need to depend on each other to get through.

There are traditional values, good British values. The modern world has in many respects eroded them. Now we have to re-claim them precisely to meet the challenges of the modern world.

But here is the challenge to us. If all we do is talk about these values and mourn their passing, we are indulging in nostalgia. Wouldn't it be nice to have the good old days back again? It may be comforting but it would be futile.

If we really want to build Britain as a community again, we must face up to two things. We must face the reality of the modern world without flinching or putting our heads in the sand, take the hard decisions to put us ahead of the change curve not behind it. Plus, we need to recognise:

The spirit of this age is democratic. We won't rebuild community on the basis of deference or hierarchy. The rich man in his castle, the poor man at his gate: it won't wash any more if, in truth, it ever did.

This is a social truth and an economic necessity. Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of its people. A class-ridden society can't do that.

A modern community must be built around the notion of the equal worth of each citizen. That is true equality. Not equal outcomes but equal worth. If we do not provide opportunity, we will fail to achieve responsibility.

Opportunity to all and responsibility from all = a community for all.

So:

Old-fashioned values, yes

Old-fashioned attitudes, no.

Let me explain what I mean by putting new and old in harmony. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I am familiar with this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. Frequently we were accused, in doing so, of abandoning our basic beliefs. To ditch a long-cherished policy was to ditch values people said. But I always regarded it and still do as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the

values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of the idea of community. The building block is responsibility, respect for others. Without responsibility to others, there is no law-abiding conduct. There is no basis for the family. There are no public services. There is no shared purpose. It is the foundation of civic society. It always has been and always will be. So, to renew civic society is to renew the concept of mutual responsibility.

But my generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties or the laissez-faire of the eighties. Yes, we want a renewal of civic society. We want a society of rules and order. But we want it for today's world. We do not want a society of hierarchy or prejudice. We want to put the new and the old in balance.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes may simply be barriers that hold our values back. Old-fashioned mocking may just be vested interests. Let me put it even more prosaically. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

These are all old-fashioned virtues and values and I hope we all share them and accept our responsibility to instil them in our children as our parents did in us. We want them back.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He thinks it odd when I go to church in jeans, not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded on issues like race or in attitudes to gay people.

They were probably a lot more active sexually than they ever let on; but they talked about it less frankly than we find natural.

My generation feels differently: we're for good manners but casual dressing; tolerant of different lifestyles, but intolerant of crime.

We love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we

have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at The Simpsons or Only Fools and Horses but love the the productions of Jane Austen or Bronte or Dickens or more recently Elizabeth. We take the best of the past but we celebrate the new.

All this is necessary to explore because otherwise we impale ourselves on a totally false and dangerous choice: either change is seen as an obliteration of our history; or alternatively a call to return to a society based on clear values, is seen as a retreat into the past. The truth is that we cannot renew civic society without a return to the core values of responsibility and respect for others; but these core values have to be applied in a way appropriate for today's world.

So: enough of the philosophy. What are the practical consequences for Britain and Government policy?

First, in the modern global economy, there is no left or right in economic management. There is right or wrong.

When we took office, the Chancellor and I decided to place interest-rates under the management of the Bank of England, an institution which goes back to the 17th century but is still sharp as a razor. It has proved a very sensible decision, and the Bank's interest-rate policy is one of the reasons why our economy is so strong.

The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, mortgage rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of £100 per month.

But keeping that way will require us to carry on running a tough disciplined policy.

Second, we have to re-build support for the work ethic in every part of our society, not have a group of people cut off from society's mainstream, children brought up in families where no-one works or is every likely to. We are matching opportunity with responsibility.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 of them through the New Deal. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. It happened through change.

Mind, we must open up opportunities for people to get on, do better, have greater aspirations and ambitions, at every level of our society. In primary schools, there has been a huge improvement in literacy and numeracy. £x bn spent on school buildings. But we need to extend this change to secondary schools. 50% of our kids still don't get five GCSEs. Whatever the opposition, we need to carry on the schools revolution. More specialist schools, whose results rose 12% in one year. We should have a third of all comprehensives specialists within two years. Better pay for teachers – in the next year almost

half will get £2000 pa more than the usual pay rise, but tied to performance and standards. Head Teachers who can earn £100,000 pa in a tough school doing a good job. Regarding university places, over the next decade we should aim for 50% of school leavers to become graduates. Universal nursery education not just for four but for three year olds as well. For the first time in many years, this year school spending in the state sector will keep pace with the private sector. But the gap is still huge - £6000 pa for every private school pupil, £3000 pa for every child at a state school.

One of the interesting things about taking a little time off with a new baby, is you start to think like a normal human being again. Sitting there with Leo, watching the odd news bulletin, I have been utterly bewildered by the debate over state schools and Oxbridge. I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. Indeed everyone seems to agree on that. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fauntleroy and Dave Spart. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. I will have no truck with old-fashioned egalitarianism that levels down. But I am a passionate believer in equality of opportunity. I am an unashamed supporter of excellence. But we need to give far more of our kids a shot at it.

I said education was our No 1 priority. It still is.

Then we need new opportunities for adults to get skilled and re-skilled. We need help for people to start small businesses. A greater push for enterprise for all, for boosting productivity. We need to embrace the new technology – all of us.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security. The role of us as a community, is to help people through the change; "old" perhaps in our responsibility to others; but determinedly "new" in our means of breaking down the barriers to opportunities for all. Our goal must be to become the No.1 nation for education and the new technology in the 21st century. Of course it will take time. But it will take more. It will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

None of this can be done without facing up to change, together, deciding, as the nation, this is what we need to do to succeed and getting on and doing it; the traditional values of community helping us through the maze of modern life. You can apply the same fusion of old and new to transport or the NHS. We know our transport system is poor. We know we need to plan its improvement. It won't happen by market forces. But it will have to be done in a new way, financed differently, road and rail integrated, cities, as Manchester has with the Metrolink, finding new ways of tackling congestion, and where in rural areas,

people depend on their cars, making sure that some at least have the choice of a decent bus service.

Or take the NHS. A great British institution. We should stay absolutely true to its values. But as I have been finding out in the past few months, working with those in the NHS, it is an institution riddled with inefficiency, out-dated practices, old-fashioned systems, where the staff work flat out, but is a system that desperately needs fundamental re-design. In truth, if we do not now make real changes in the NHS, then no matter how much money we put in the NHS will slowly decline. I am determined not to let that happen. But again, it is our values, embodied in the NHS, given new life by change and reform.

But it does need investment. So do our schools. So does our transport. So do other parts of our creating infrastructure. Put bluntly, Britain is an "under-invested in" nation. If we want to open up the opportunities and provide security for people in the world of change, we must invest. We need to re-capture some of that post-war spirit of renewing the nation; but apply it afresh to our 21st lives.

So: supposing we make this investment, we provide this opportunity. The result entitles us to match up the responsibility side of the equation.

The Americans call it "tough love". I say: "something for something". But it is the same idea: effectively, a covenant for citizenship. Together, we accept as a community, a responsibility to open up opportunity for all. But in return we can be tougher, more direct, more insistent on demanding something back from the individual, on responsibility being mutual. So if we are putting billions of pounds into the New Deal for the unemployed, people can't be expected to sit at home claiming benefit if they could work. If you are a teenage mum and want

help, you should be in a proper hostel or home where there is support but also education and improvement. If, as I hope we can, we expand youth services and sports facilities for our youngsters, they should not be hanging round street corners at night or disturbing old folk in their homes.

We can then set about creating a society of genuine respect for others and be prepared to be hard on those who won't play by the rules.

When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

The detestable football hooligans. They don't just commit crimes. They disgrace our nation. They degrade our society.

In the next two weeks, we will announce the new measures to tackle violent Crime.

And I tell you in all honesty on the issue of crime, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. And we need tougher measures. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted

crackdown on every aspect of drug abuse this or any western developed country has seen. Tomorrow the Home Secretary will announce the first steps.

We then need the same values applied to the bedrock of a decent society, the family. The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to take measures to strengthen them again. This does not mean going back to some soft-focus fantasy world of the Fifties, when homosexuality was illegal and women were made to work in the kitchen. It means reinventing the notion of community for today's world.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Marriage is a good institution because it helps couples to stay together, though it is underlying commitment that matters most.

It is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

I have thought long and hard about how to promote these values, in part I have thought long and hard about how we promote these values, probably because I am so lucky in my parents and my wife and I want others to have the happiness I have had. But I have concluded that the only thing that makes sense is to define the responsibility of us all in a rational way. Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme for vulnerable and very poor families.

People attacked us for removing the Married Couples' Allowance. That's anti-marriage they said. I simply say. The MCA used to be paid at 40%. The previous government reduced it to 15%. We abolished it. Why? Because we discovered the MCA was not just paid to married couples; it became paid to unmarried couples; it then was paid to single parents as well as couples; and on divorce, it was also paid and for the first year after divorce at double the rate. We decided to recognise that the only thing about it that promoted marriage was its name and that it was better instead to focus help on children.

And then to help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through increased flexibility in hours, through making sure that working women are paid the same as working men; or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. These issues will be a major part both of the spending plans in July and in the pre-Budget report in November.

In return, society is entitled to ask responsibility from parents. A child is for life – fathers owe a responsibility and once we have sorted out the absurdities of the CSA, we can give effect to that better. Parents have a duty to see their kids aren't playing truant; aren't out late at night causing mischief.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

It takes commitment to keep a family together. It takes altruism to keep a community together. The British are famous for their voluntary work – and that is another national achievement of which we should all feel proud. X million of you each year choose to help other people for no reward save the satisfaction of being able to make someone else's life better. That is a triumph for those of us who believe that money isn't everything, that we are not motivated solely by greed. There is a genuine altruism that pervades this country and it is a precious gift that needs care and attention.

[policy]

In this way, we can again make sense of old and new, taking the proud British tradition of volunteers and providing new opportunities for it to help succour and deepen our social and community bonds.

Now: this is a very tall agenda. It means the economic and social reconstruction of Britain. Have we as a country got the stomach for it? It's easy to say yes, but none of this is possible without two more hard choices.

First, if we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend as much on other things. If we simply spend money in the NHS or schools without fundamental reform, I promise you the money will be wasted. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Today we publish plans that allow us to do so. But be under no illusion: of course people should be entitled to receive their payments in cash; but we can't force people to do that and over the years increasing numbers will choose to have the money paid into their bank account. In addition all round the world postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality and the challenge of change.

If we want to conserve we have to change. Where forces of conservatism or reaction stand in the way of necessary change, they undermine the very values we seek to conserve.

There is a curious paradox I find in politics: people say: we want politicians to tell us the truth; then you say something people don't want to hear and they say: you're out of touch. It's what I mean by hard choices. That's life. We know it

in our personal lives. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. The baby has had an extraordinary calming influence. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term.

We were elected because of two terrible recessions in the 1980s and 1990s, because we had slipped to 42nd in the world education league, because crime had doubled, and because the NHS had been broken up. On each count, progress has been made: the economy has had continuous steady growth, primary school standards are rising, burglary is down 20 per cent, and the NHS is now seeing more patients, faster, than at any time in its history. But I am the first person to say that as long as there are one million unemployed, 50 per cent of school leavers without five good GCSEs, NHS treatment variable in quality and speed, and violent crime is rising, then Britain needs a lot more change to fulfil all our ambitions for a better life. I want to offer that change, firmly rooted in our values. But it will take time, if it is to be done to last.

Whatever our triumphs, particularly in saving the world from fascism, the 20th century was a century of decline for Britain. Now we have the ambition of

renewing us as a great and powerful nation for the 21st century. But it is not a challenge for the faint-hearted. It takes time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read our newspapers, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down. We've got enormous strengths, rightly envied round the world. Even today a report by the Economist shows Britain the second-best place in the world to do business, ahead not just of France and Germany and Japan but of the USA. But I don't want us second-best in anything. We showed how we could lead the world before. Now let's show how we can lead them again.

I have a clear vision as to how that can be done: by building a nation of opportunity for all and responsibility from all in a world of change. Look at yourselves in the WI. The old image, the old ways, last off and now dynamic, engaged, socially aware, up to date with a real voice speaking with relevance about the condition of Britain. You haven't dropped your beliefs to do this. You haven't betrayed your past. You've renewed it. So with us, as a nation. We must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face.

So I say today: respect the old, for what it still has to teach: old standards of behaviour, old codes of honour and self-discipline, old-fashioned notions of duty and obligation. Let us take these old values and blend them with the challenge of novelty – the glittering sword of the new, the stout shield of the old – to fashion a Britain able to take on the world, strong in new daring and old wisdom, looking

to the future while guarding all that is best in the past. That is what we seek, and all of you can help us to find it.

cc:JB

To: Alastair.
From: Philip.
Tuesday.

WI Speech.

I attach a note about the speech the speech from Stan which is quite positive. His main view is mine that we are not about merging old and new but making old values work in new times. This has got to be the emphasis.

He is also concerned that this speech makes us look too static. Again this is something that we need to address.

Date sent: Tue, 06 Jun 2000 09:21:02 -0400
From: Stan Greenberg <stan@greenbergresearch.com>
Send reply to: stan@greenbergresearch.com
To: Phillip Gould <PhillipG@nop.co.uk>,
Angela Forrester <angelaf@nop.co.uk>,
Bob Boorstin <bob@greenbergresearch.com>,
Erika Schlachter <erika@greenbergresearch.com>
Subject: TB speech

Philip,

These comments are not to revise the speech, as I'm sure it nears completion.

He certainly is in a different place than everyone else, though I suspect he is simply trying to give an intellectual grounding for his focus on the reassurance issues -- crime, family, etc.

I actually do not think this is a bad speech. He is trying to bring together responsibility and opportunity together. Not bad at all.

[By the way, I'm missing page 5, but fortunately, I have 2 copies of page 3 and 7.]

The speech is quite abstract and is kind of distant from itself. "At the heart of my beliefs is the idea of community"; "I will further argue." He could simply state, "I believe...."

The joining of old and new. What he is saying, I think, is that New Labour makes old values, like responsibility and opportunity, work in new times. Is that the essence of it? We're not balancing or merging old and new.

Good attack on deference/heirarchy/class inequality.

His critique of the NHS's performance is modest "NHS treatment variable in quality ad speed" hardly captures what people feel and hardly includes any human beings.

I'm not convinced about investment. Education, transport and police become a litany of things, without much passion. Education can so directly be linked to opportunity and the new economy. There is no sense of a big idea in education -- just a lot of better things.

The crime section could be much tougher. Goes first and directly to cause -- unemployment. Nice rhetoric on cracking down, but no specifics.

Begins to explain tax rise. Interesting. We'll soon see the reaction.

The biggest problem is how static the speech is. Do you get a sense from the speech that we are part of an accelerating change project? Because it starts with community, it sounds like that is the passion of the project. Perhaps this is a stage in the campaign where community outweighs opportunity as we seek to reassure in critical issues. It may work and the government certainly needs to get the message from him that we are serious on this point.

The mission statement centers on working to change Britain so the hardworking people have a chance to make a better life in a modern and uncertain world. How are we integrating community/responsibility with this mission. TB is right to force the issue.

My random thoughts, Stan

child's poverty.

From: Alastair Campbell
Date: 5 June 2000

PRIME MINISTER

cc: Jonathan Powell
David Miliband
Sally Morgan
Anji Hunter
Philip Gould
Peter Mandelson

POSSIBLE ENDING

So yes, we are embarked upon a major programme of reform and modernisation. Informed by those twin themes of opportunity for all and responsibility from all the key equation that builds community.

Britain truly as a land of opportunity, in which people rose according to their talents, in which everyone had the chance of making the most of their potential, that would be a new Britain worth the name.

And a Britain that recapitulated that sense of respect and responsibility would be a Britain that won back the best of the old.

This is not nostalgia but the insight that it is only if we embrace that responsibility agenda I have outlined today that the opportunities we offer will be fulfilled.

Understand what I am about.

A moderniser, confident I can lead this country through this period of massive social, economic and technological change.

But a moderniser with values rooted all my political life in what my parents inculcated in me as a child: a belief in Britain, a belief in community, in respect, in responsibility, in the belief that we are here to serve others.

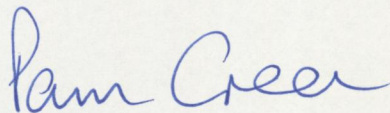
In these last couple of weeks, I have had a little more time than usual to step back from the daily din that is often British politics today, to reflect on where it is we are heading.

And I see more clearly than ever that just as the modernisation of the Labour Party was always about giving new life to its basic values, so I feel that the modernisation of Britain is best rooted in decent, timeless, old-fashioned values.

A better future that flows from a proud past.

Opportunity for all, the best of the new. Responsibility from all, the best of the old.

And it is the marriage of the two that can build a community.

 **ALASTAIR CAMPBELL**

Prime Minister.

From Philip Gould.

5th June.

WI speech.

1 I want to try and explain once again how I see the relationship between the old and the new, the traditional and the progressive. Because I think getting that right will lead to the speech coming right.

2 The other day I was wandering around a small village in Suffolk that epitomizes everything that is typical about a traditional English village. Small thatched cottages, overflowing cottage gardens, cobbled streets.

Half-way
Highway up the high street, which was the only street, was a rather run down but still pretty building with the words Woman's Institute and the date (very early in the century) chiseled out of stone above the door. Nothing could be more English, nothing more traditional.

And yet today the Woman's Institute is transformed, running campaigns against domestic violence, campaigns against post-office closure, even producing risqué calendars.

The WI is active and effective today because it changed. It took its enduring, traditional values and applied them to the modern world. By changing and adapting it saved the best of the past and gave it new relevance. Traditional values, but modern application. The WI always true to its principles, but always prepared to change.

That is just what you did with the Labour Party-you modernised the party so that its traditional values would have new relevance.

This is what you intend to do to Britain. Renew the nation but on the enduring values of communities in which rights are balanced by responsibilities.

You do not want change for its own sake. You want to change to ensure that those long standing values can be applied to a modern world.

3 This relationship between new and old is dynamic-old values constantly given new meaning. This is the modernising insight, and your insight. But when you talk just about the balance of old and new, or old and new in harmony it sounds static, passive, conservative and inconsistent with the person and the politician that you are. Doing it this way seems much more like explaining, much less like pandering.

4 I think that something of this sort is the way you should connect the new to the old.

5 I also think, as I have written before, that hard centre of the speech should be responsibility. But done in a tough, modern way. Many of the audience will have teenage kids and they will relate to this. You need a sense of tough problems, tough solutions, and a determination to fix things.

6 This is about nuance and tone not fundamental positioning. It is about getting it right so that the speech will work for you, not against you, and certainly not changing what you are essentially trying to say.



MEMO

To: The Prime Minister

From: Philip Gould

Date: 04/06/2000

Fax: 0207 839 9044

[FAO DUTY CLERK: I would be grateful if you would distribute the attached as appropriate. Many thanks]

PM
FAILED

~~C. JB~~

AC

AH

JB

To: Prime Minister.

From: Philip Gould.
4th June.

PM
DM
SM
AH
PH

W1 speech 16.00 draft (sorry late-presenting to Home Office on crime).

1 This is better again, but still not fully working.

2 The opportunity, responsibility, community argument works, although I think you can develop it still further.

3 The main problem with the speech is that you have not got the old/new argument to gel perfectly yet. This is your new insight and it has got to work. Otherwise you will be vulnerable to charges of trimming and retreating.

4 To make this old/new theme to work you must be absolutely clear about: what modernisation means to you. I take your answer in this speech to be: **the renewal of old values by making them work in modern settings.** This is very close to your 1994 formulation-**Change and renewal: a new direction for the country; traditional values but modern applications.** We have to renew Britain as a strong society but do so for the modern world.

5 Whenever you use this formulation the old/new relationship in the speech works. For example:

- 'to renew civic society is to renew the concept of mutual responsibility'.
- 'yes we want a renewal of civil society. We want a society of rules and order. But we want it for today's world'.
- Best of all: 'The "new" was necessary to "re-new" the old'.

6 This relationship between old and new works because it is dynamic and dialectical. **The 'new' renewing the 'old', creating something that was better than both. That is what modernisation is about. Change that gives new relevance to enduring values.**

7 Where I do not think old and new works is when you say: 'It is time to put old and new in balance' or 'the old and new in harmony'. This reads to me as static, passive and lacking in modernisation power. I feel it weakens you as a politician, changing your voice, losing your modernising potency.

8 In fact I think there is case for starting the speech not with community but with modernisation and the new. 'I believe in modernisation, because only change can save what is best about the past.' This would be more counter-intuitive.

9 The last two pages are now excellent. I like very much the forces of conservatism paragraph on page 15. There is more of a sense of your determination to change things. But still in your 'football hooligan' you are a commentator. You surely must say-'this makes me angry and I will have it stopped'.

10 Sometimes you present yourself as too much the victim of events: 'We want politicians to tell the truth. Then you say what people don't want to hear and they say you are out of touch. IT is what I mean by hard choices.' This doesn't work.

11 But to strengthen the speech further I think you need to make responsibility even more the hard centre of this speech. I think your argument should be that opportunity depends on responsibility. Unless we live in responsible, mutually supporting communities, then opportunity is impossible. Responsibility is the key to opportunity. Responsibility is the key to sustained prosperity. That is why we investing for the future-so our children can benefit as well as us.

12 In news terms this will work because it balances GB's opportunity agenda. Why not talk about the barriers to responsibility? Those people who do not pay their taxes or abuse welfare. Those people who steal money saved over many months by a pensioner. Give responsibility an edge.

13 In summary:

- **You are an agent of change-you will renew and rebuild Britain.**
- **You are a modernising politician-you believe that change is the key to unlocking the best of the past.**
- **You respect the instincts of the nation-you believe that responsibility is the key to opportunity.**
- **You want to build a new Britain on old values-a land of opportunity built on the rock of responsibility-and nothing will get in your way.**

Prime Minister

From: Philip Gould.

Date: 4th June.

WI SPEECH

1. This is better, much more your voice but I am sure you can take this even further forward.
2. This is a time of re-entry for you, and I think it is worth pausing and looking back to your first entry into national politics. Your unique contribution as a politician, your destiny was, and is, to be able, finally, to take Britain and its people into the future and to give it new self-confidence and a new role. You were and are able to do this because of an unprecedented combination of energy, vitality and newness and a respect for the instincts and aspirations of middle Britain.
3. In a conservative country you could be an agent for change because you were trusted to respect the conservative instincts of so many of our people.
4. Your radical project was always rooted in values of responsibility and community that gained trust far beyond Labour's normal hinterland.
5. But your political purpose has been muddled in to two ways:
 - The first is that your government has lost connection on the responsibility issues. And it has been painted as a government that seeks to obliterate the past into order to move onto the future. This is unfair because it distorts everything you have always believed in, but we have to live with that.
 - The second is that you have been painted as a politician who lacks conviction and substance, driven by expediency and not by values.
6. What we have to do now is undo the first problem without adding to the second.

7. The first essential is that the speech has much more of 'Blair the agent of change'. In this speech your mood is reflective and thoughtful. That is probably your current mood now. But the danger you run is that you appear passive, tired, and commenting rather than acting. You appear virtually powerless to deal with the problems of the family. The problem with this is that it runs this risk of feeding the mood of the nation - defeatist, giving up, thinking change is impossible, thinking we are a government running out of steam. **It is so important at this time that we persuade the British people that change is possible.** We must bring back a sense of hope and possibility. This is at the heart of your responsibility as Prime Minister. You must lead the people out of this defeatism.

8. But it remains the case that you feel that you have to reposition your government in two areas: **rebalancing the old and the new and rebalancing responsibility and opportunity.** But you have to find a way of doing this that does not seem defensive and does seem consistent with things you have said in the past.

9. It is true that there are contradictions in the attitudes of the British people towards change and tradition, **but support for change is slightly ahead of support for tradition, although both are important.** This is true even of Telegraph and Mail readers:

- 67% of Telegraph readers think change is a good thing. But 60% also 'feel better when tradition is respected'.
- 64% of Mail readers think that change is a good thing. But 62% 'feel better when tradition is respected'.

10. The way to rebalance without appearing defensive to think less in terms of the fusion of old and new, opportunity and responsibility, more in terms of a dynamic resolution of these two apparent paradoxes. By this I mean:

- **Change is the key to unlocking the best of the past.**
- **Responsibility is the key to unlocking Britain as a land of opportunity.**

11. I think your whole thrust should be much more - **the only way to preserve the Britain that we are proud of is to change it so that it can meet the needs of the 21st century. In other words change comes first.** This means that you matter, and New Labour matters, otherwise leave it to the Tories.

12. In the case of responsibility it is even clearer cut. A land of opportunity needs a community of responsibility. You cannot realise the potential of an individual except through mutual support, mutual respect. On page 6 you say: 'If we do not provide opportunity we will fail to achieve responsibility'. But the opposite is also true.

13. I think it is very important to get this right. The truth is that if the people of Britain, your audience next week, want a Britain that is strong and proud and decent and responsible, then they have to look forward and not back. Going back is not an option. Staying still is not an option. Change is the key to unlocking and preserving the best of the past.

14. Other points:

- a) You appear to have given up on saving the family. I don't think you can do that.
- b) You need more of a sense of challenge and of struggle. It is not going to be easy. We will all have to change, all have to join in.
- c) You need to deal more directly to the impediments to opportunity. If Britain is as unfair as you say it is, if Britain needs to become more meritocratic, how will this happen? You mention taking on the barriers to opportunity but I think you must deal more explicitly with this. The hardest question you face is 'how do you get rid of unfairness without appearing anti-excellence and anti-past?' You believe in taking on the forces of conservatism but you believe in what is good about the past. You hate inequity, but you love excellence.

I think one way of doing this is to link merit not just to opportunity but to responsibility. If we believe in responsibility, then we must honour those who work hard, have merit, and deserve to get on. An unfair society is an attack upon responsibility just as much as it is on opportunity.

The second way forward is through redefining your one nation politics. Making them less static, more dynamic. All successful political leadership involves taking people on, changing minds and accepting unpopularity. You want to rebuild Britain, to build a nation strong and confident again. That means the skills of all must be used. The merit and effort of all recognised. This is your mission in politics. It is because you represent the nation as a whole that you will take on those forces and attitudes that stop the nation as a whole realising its potential.

You are a one-nation politician but a one-nation politician cannot tolerate unfairness. There is no conflict here. Class politics have gone, but the politics of fairness and merit have only just started.

PRIME MINISTER

From: David Miliband

Date: 4 June 2000

**cc: Alastair Campbell
David North
Liz Lloyd
Lord Falconer**

The Home Office, with No. 10, have agreed the following schedule of events after your speech. Can you shout if you are unhappy with this/explain what you want changed:

Your speech: plan was for you to announce money for rural crime.
Sounds a bit diddly to me.

Thursday: JS speech. Plans to say 5000 spare prison places will
be available for violent crime and repeat offenders.
Will consider idea of special meeting with magistrates.

Police Bravery Awards (15/6; your speech): you announce money to crack down on street crime in
in five high crime (Met) areas.

Drugs week 22/6: plan for week of activity including PIU report on
Confiscation of Assets, Drug Testing, idea of Centrally
Controlled and Directed Treatment Agency (money has
to wait for SR2000 but could run with basic idea).

DM
DAVID MILIBAND

SPEECH TO THE WOMEN'S INSTITUTE

speech\womens institute
as at 4 June 1600
words: 4774

At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean the broader idea that the path to our fulfilment as individuals lies in society with, and not in isolation from, others. My argument to you today is that the renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair, where opportunity and security are reserved for the minority not the broad majority of British people.

I will further argue that community can only be rebuilt in the modern world by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

It is time to put the old and the new in harmony.

We all know what we want.

A strong economy, rising living standards, good schools, an NHS which is there when we need it, secure streets. But there is no possibility of achieving it – absolutely none – unless we both return to our core values as a nation as a community and then revolutionise the means of their application for the modern world.

Old-fashioned values, yes

Old-fashioned attitudes, no.

Let me explain what I mean by new and old. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I am familiar with this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. Frequently we were accused, in doing so, of abandoning our basic beliefs. To ditch a long-cherished policy was to ditch values people said. But I always regarded it and still do as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of the idea of community. The building block of community is responsibility, respect for others. That is a value as old as time. I believe in it passionately. Without responsibility to others, there is no law-abiding conduct. There is no basis for the family. There are no public services. There is no shared purpose. It is the foundation of civic society. It always has been and always will be. So, to renew civic society is to renew the concept of mutual responsibility.

But my generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties or the laissez-faire of the eighties. Yes, we want a renewal of civic society. We want a society of rules and order. But we want it for today's world. We do not

want a society of hierarchy or prejudice. We want to put the new and the old in balance.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes may simply be barriers that hold our values back. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

The detestable football hooligan: it's not just the violence. It's the sheer rudeness, disrespect of it all.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

These are all old-fashioned virtues and values and I hope we all share them and accept our responsibility to instil them in our children as our parents did in us. We want them back.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He'd be horrified at me going to church not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded on issues like race or in attitudes to gay people.

They were probably a lot more active sexually than they ever let on; but they talked about it less frankly than we find natural.

My generation feels differently: we're for good manners but casual dressing; tolerant of different lifestyles, but intolerant of crime.

We love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at The Simpsons or Only Fools and Horses but love the BBC productions of Jane Austen or Bronte or Dickens. We are putting the new and old in a balance right for our generation.

All this is necessary to explore because otherwise we impale ourselves on a totally false and dangerous choice: either change is seen as an obliteration of our history; or alternatively a call to return to a society based on clear values, is seen as a retreat into the past. The truth is that we cannot renew civic society without a return to the core values of responsibility and respect for others; but these core values have to be applied in a way appropriate for today's world.

And today's world is above all a world in the throes of change more dramatic and faster than at any time since civilisation. Again and again, when I analyse the world in which my children are growing up, I come back to the spectre of change. When Chinese workers are employed at one fiftieth of the cost, our workers have to create things that the Chinese cannot make. When 80 per cent of new jobs go to women, we cannot expect childcare and care of the elderly to be done in the old way. The global economy; the technological information revolution, are all transforming the world of business and work, bringing massive insecurity as well as opportunity in its wake. In the USA today, one in four families now changes home every year. And of course there is cultural and social change in community and family life. The new science of genetics, the investigation of the human genome, of which the controversy over genetic modification is just a part, will, in all probability, take over from the internet as the next shaker of the never-ending kaleidoscope of change. It is exciting and it is frightening.

No wonder people feel insecure and worried for their future. In this world of change, we will only survive and prosper if we act together to provide the opportunity and security people seek. If people have to change jobs many times in a working life, if industries come and go in a matter of months, if a crisis in Asia can cause, as it has, jobs to go in County Durham in my constituency, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of the community on our side helping us through it. Our challenge is to use the power of community, of us acting together to become the masters of this change, not its

victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

But it must be done to benefit us all.

The spirit of this age is democratic. We won't rebuild civic society on the basis of deference or hierarchy. The rich man is his castle, the poor man at his gate: it won't wash any more if, in truth, it ever did.

This is a social truth and an economic necessity. Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of its people. A class-ridden society can't do that.

A modern civic society must be built around the notion of the equal worth of each citizen. That is true equality. Not equal outcomes but equal worth. If we do not provide opportunity, we will fail to achieve responsibility.

Opportunity to all and responsibility from all = a community for all.

So: what are the consequences of all this? How do we put old and new together in policies for the future, combining opportunity and responsibility?

We were elected because of two terrible recessions in the 1980s and 1990s, because we had slipped to 42nd in the world education league, because crime had doubled, and because the NHS had been broken up. On each count, progress has been made: the economy has had continuous steady growth, primary school standards are rising, burglary is down 20 per cent, and the NHS is now seeing

more patients, faster, than at any time in its history. But I am the first person to say that as long as there are one million unemployed 50 per cent of school leavers without five good GCSEs, NHS treatment variable in quality and speed, and violent crime is rising, then Britain needs a lot more change to fulfil all our ambitions for a better life. I want to offer that change, firmly rooted in our values.

The first base is to return to economic stability, something we rarely achieved in post-war years. The new system of economic management with Bank of England independence and spending rules has delivered low inflation, low interest rates and sound public finances. I know people disliked the rise in petrol prices and the abolition of mortgage tax relief. People wanted more money spent on public services immediately. But we simply could not carry on paying out more interest payments on our borrowing than we spent on the whole of the UK's school system; and a doubled national debt. The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, mortgage rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of £100 per month.

But then we have to open up new opportunities to work and skills in the future.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 of them through the New Deal. We lead the world for inward investment. We have just been listed by the Economist as the second best place in the world to do business ahead not just of France, Germany and Japan but also

of the USA. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. It happened through change.

But there is still a huge amount to do. And the big task that now confronts us is investing in the country's future. There can be no greater responsibility for us, as a nation than to invest in our education system to boost productivity, skills and provide opportunity; in our transport system to provide mobility; and in our health service and police to ensure security for all. Put bluntly, Britain is an "under-invested in" country. We didn't invest wisely when we were spending public money in the 60s and 70s and we didn't invest enough in 80s and 90s. If we want a first-class education system; or an NHS that is once again the pride of Britain; or a transport system that is not creaking at the joints, we will have to invest. Except this time, we should do it allied to fundamental reform.

New opportunities in our secondary schools, where we should aim in the next Parliament to raise results by the same step-change as this Parliament has seen in primary schools.

More specialist schools, radical change in inner-city comprehensives and we if want good teachers, we will have to pay to get them. New opportunities to go to university. In the next decade we should aim for 50 per cent of school leavers to go to university.

New opportunities for adult skills. By next April internet and new technology courses will have an 80 per cent discount. Anyone should be able to get them and

New opportunities for decent healthcare. The NHS plan will be published in July. But we should aim to

New opportunities to develop the industrial base of the future.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security. The role of us as a community, is to help people through the change; "old" perhaps in our responsibility to others; but determinedly "new" in our means of breaking down the barriers to opportunities for all. Our goal must be to become the No.1 nation for education and the new technology in the 21st century. Of course it will take time. But it will take more. It will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

One of the interesting things about taking a little time off with a new baby, is you start to think like a normal human being again. Sitting there with Leo, watching the odd news bulletin, I have been utterly bewildered by the debate over state schools and Oxbridge. I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. Indeed everyone seems to agree on that. So let's hear no

more rubbish about class war, as if we had to choose between caricatures of Little Lord Fontelroy and Dave Spart. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. I will have no truck with old-fashioned egalitarianism that levels down. But I am a passionate believer in equality of opportunity. I am an unashamed supporter of excellence. But we need to give far more of our kids a shot at it.

Responsibility plus opportunity is the only way to a society where all not just a few get the chance to succeed. And this is not just economic. All of us know the quality of our lives is not just about what we earn. It is about dignity, friendship, love, our families. Yet here is where we feel we have lost something precious. You can put it in any numbers of ways. I call it: respect for other people. When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

So how do we rebuild it? Here again we need to match the opportunity with the responsibility. The Americans call it "tough love". I say: "something for something". But its the same idea: its effectively a covenant for citizenship. Together, we accept as a community, a responsibility to open up opportunity for all. But in return we can be tougher, more direct, more insistent on demanding something back from the individual, on responsibility being mutual. So if we are putting billions of pounds into the New Deal for the unemployed, people can't be

expected to sit at home claiming benefit if they could work. If you are a teenage mum and want help, you should be in a proper hostel or home where there is support but also education and improvement. If, as I hope we can, we expand youth services and sports facilities for our youngsters, they should not be hanging round street corners at night or disturbing old folk in their homes.

And I tell you in all honesty on the issue of crime, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. And we need tougher measures. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. Tomorrow the Home Secretary will announce the first steps.

The bedrock of a decent society is the family. The forces that used to hold communities together – the family, the Church, respect for elders – are slowly weakening, and we need to take measures to strengthen them again. This does not mean going back to some soft-focus fantasy world of the Fifties, when homosexuality was illegal and women were tied to the kitchen. It means reinventing the notion of community for today's world.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Marriage is a good institution because it helps couples to stay together, though it is underlying commitment that matters most.

It is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

People attacked us for removing the MCA. That's anti-marriage they said. I simply say. The MCA used to be paid at 40%. The previous government reduced it to 15%. We abolished it. Why? Because the MCA was not just paid to married couples; it became paid to unmarried couples; it then was paid to single parents as well as couples; and on divorce, it was also paid and for the first year after divorce at double the rate. We decided to recognise that the only thing about it that promoted marriage was its name and that it was better instead to pay more money to families with school-age or younger children.

I have thought long and hard about how we promote these values, probably because I am so lucky in my parents and my wife and I want people to share what I have had. But I have concluded that the only thing that makes sense is to define the responsibility of us all in a rational way. Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme for vulnerable and very poor families.

And then to help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through hugely increased flexibility in hours, through making sure that working women are paid the same as working men or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. So for Government, the issue is how to enlarge opportunity and security for families in meeting the challenges of modern life. This will be a major part both of the spending plans in July and in the pre-Budget report in November.

In return, society is entitled to ask responsibility from parents. A child is for life – fathers owe a responsibility and once we have sorted out the absurdities of the CSA, we can give effect to that better. Parents have a duty to see their kids aren't playing truant; aren't out late at night causing mischief.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

It takes commitment to keep a family together. It takes altruism to keep a community together. The British are famous for their voluntary work – and that is another national achievement of which we should all feel proud. X million of you each year choose to help other people for no reward save the satisfaction of being able to make someone else's life better. That is a triumph for those of us who believe that money isn't everything, that we are not motivated solely by

greed. There is a genuine altruism that pervades this country and it is a precious gift that needs care and attention.

[policy]

In this way, we can again make sense of old and new, taking the proud British tradition of volunteers and providing new opportunities for it to help succour and deepen our social and community bonds.

Now: this is a very tall agenda. It means the economic and social reconstruction of Britain. Have we as a country got the stomach for it? It's easy to say yes, but none of this is possible without hard choices. If we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend as much on other things. If we simply spend money in the NHS or schools without fundamental reform, I promise you the money will be wasted. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Today we publish plans that allow us to do so. But be under no illusion: of course people should be entitled to receive their payments in cash; but we can't force people to do that and over the years increasing numbers will choose to have the money paid into their bank account. In addition all round the world postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality and the challenge of change.

If we want to conserve we have to change. Where forces of conservatism or reaction stand in the way of necessary change, they undermine the very values we seek to conserve.

So it is a challenge. Let me give you another example. When I talk about Europe and the need for Britain to be a key player in Europe, some say I'm out of touch or arrogant. I am not out of touch on it. I know people's feelings. But I can only say what I believe: that for Britain to retain its status as a major power in the world, we cannot be separate from the crucial strategic alliance on our doorstep, the EU.

I use this just as an example. There is a curious paradox I find in politics: people say: we want politicians to tell us the truth; then you say something people don't want to hear and they say: you're out of touch. It's what I mean by hard choices. That's life. We know it in our personal lives. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. My little Leo has had an extraordinary calming influence. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term. We are talking about renewing Britain as a great nation in the 21st century after, whatever our

triumphs, particularly in saving the world from fascism, was a 20th century of decline. But it is not a challenge for the faint-hearted. It takes time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read our newspapers, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down. We've got enormous strengths, rightly envied round the world. We showed how we could lead the world before. Now let's show how we can lead them again.

I have a clear vision as to how that can be done: by building a nation of opportunity for all and responsibility from all in a world of change. I don't want them calling Britain quaint. I want us to be called dynamic. To be so, we must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face. Resolute in our values, but unremittingly courageous in our application of them to change; we can through renewing ourselves as a community, conquer these challenges and succeed.

04/06/2000

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4.6.00

Nick Matthews
Duty Clerk
10 Downing Street
London SW1

Dear Nick

We spoke a few moments ago. I would be grateful if you could forward the attached note to the Prime Minister with copies faxed to Alastair Campbell and Anji Hunter.

With many thanks

Tessa Jowell

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4 June 2000

Dear Tony,

Anji asked me to do you a short note about the WI speech on Wednesday. She will have told you how the WI are adamant about not wanting a party-political speech. Your draft centres on values and community and that will go down well. These are a few points that I hope you will find useful:

1. The WI will be debating rural post offices (very relevant to your community theme), children's hospices and strokes during the rest of the conference.
2. Since this will be your first speech since Leo, it will inevitably be read as "I'm back in charge". As you say in the draft, the hot issue has been the fall out from Laura Spence, Oxford and elitism. It is clear that the confused message has been damaging in the minds of many of our middle England voters
3. By the time you read this you may have already seen some material in The Sunday Times about the focus groups which they conducted. David's daughter, Eleanor Mills, commissioned them and told me that they showed:
 - 3.1 Worcester woman is bemused and a little scared. She is losing trust in the Labour party, because she says that when she voted for it in 1997 she believed that it had changed and was no longer the party of class war; now, with the recent rhetoric, she thinks that the "New" bit of Labour may have been a "clever con".
 - 3.2 Laura Spence again: are we in favour of aspiration or not? Are we still after all fighting the class war? Is the problem all in the universities or also in the schools? Is our attack on elitism a cover for an attack on the aspirations and ambitions of parents for their children?
 - 3.3 We are not perceived as having one message for the whole country - but perhaps one for the Labour Party and a different one for everyone else.
4. There was also a sense in the Worcester woman groups that Labour is anti-tradition, anti-history and anti-heritage (the Tories are capitalising on this) and that

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Labour thinks tradition and history are to be thrown away, that they are the preserve of the privileged elites. (A good example of how much we all value the past is the phenomenal rise in the popularity of history: take the recent series on Elizabeth 1 on Channel 4 which has beaten Ali G, Friends and even Brookside in the ratings.) As you say, the British people value their heritage and you do, too.

5. So it is quite right to assert, as you do, the value of good traditions. But you might like to say more about the role of the WI here, and hold it up as an example of the importance of people getting together in voluntary organisations (in itself an excellent tradition), and praise its commitment to lifelong learning. The ambition to rebuild civic society is delivered in practice by long established organisations like the WI. The WI is an example of civic society in action - reciprocity and interdependence. It started in the UK in 1915 at a time of major change for women; now 7 out of 10 women are in work, and the work/home balance is a major issue. Women make their choices, government does not prescribe them.
6. The WI also has an impressive record of raising issues before they became common areas of public debate: adoption, food safety, domestic violence (look at the book of mandates to get more on this). The WI thus represents much of the progressive tradition and stability through social change which is and has always been such an important part of English society.
7. I am sure it is right to keep repeating that we are building a country which promotes aspiration and creates opportunity for all who aspire, including those who aspire for better things for their children, and that this is not driven by envy. This gives you the opportunity, in the context of your statement of belief in community, to make the case for the value of schools to which all of the community send their children, aspiring high not levelling down, in which all the parents of a neighbourhood have a stake - a very important building block of strong communities.
8. Good schools are incidentally a key to the survival of villages and will ensure, for instance, that families with young children do not move away in search of schools for their children. It is not that we want to take opportunity away from some children and give it to others but to remove the obstacles that many disadvantaged families face - arising from lack of confidence, low expectations, etc
9. The problem with the Laura Spence brouhaha is that it gives the country the impression that we are trying to level the education issue from the top down (criticising Oxbridge) rather than from the bottom up (making state schools better). We need to make the case that Labour will not practise positive discrimination leading to lower standards, but will apply its energies where they are most needed i.e. in giving disadvantaged children aspirations and the means to realise those aspirations. Labour's desire to improve state schools and the prospects of its pupils is not class war but its exact opposite - creating a world class state school system that works for children of all backgrounds will sustain stable communities.
10. You will no doubt want to deal with the concern on the part of the WI not to be seen as all jam and "Jerusalem"; the WI's alternative calendar will raise a laugh - New WI - the WI modernised by taking their clothes off!

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11. You mention Leo. You want all the babies born that day to have the best possible chances in life - so link his birth with the aspirations of all the other parents of babies that day. Aspiration, aspiration, aspiration; but children from disadvantaged families have so many more obstacles in their way, and ours is a government on their side, committed to bettering their chances.
12. For many people change is frightening. They do not believe that the upheaval and uncertainty will mean that they are better off at the end. Hence the support for manifestly outdated local hospitals faced with closure: better to hold on to what you have than to see it go with only the promise of something better in the future.
13. Some change happens beyond our control, the result of our increasingly global economy, but other change is driven by us as part of our programme of reform and modernisation. We recognise the insecurity but they must trust us to deliver and to deliver better results.
14. Finally you talk about the importance of behaviour, good manners etc and I think that will go down well. You may also want to talk about the strength of families in shaping children and their aspirations, and the importance of family meals - a dying part of life for many families. I can get the latest figures for how often families now eat together but the decline has been marked over the past ten years.

I hope this is useful. Please let me know if there is anything else you want me to do. I look forward to seeing you on Wednesday.

Yours

TGSW.

04/06/2000

15:48

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Anji asked me to do you a short note about the WI speech on Wednesday. She will have told you how the WI are adamant about not wanting a party-political speech. Your draft centres on values and community and that will go down well. These are a few points that I hope you will find useful:

1. The WI will be debating rural post offices (very relevant to your community theme), children's hospices and strokes during the rest of the conference.
2. Since this will be your first speech since Leo, it will inevitably be read as "I'm back in charge". As you say in the draft, the hot issue has been the fall out from Laura Spence, Oxford and elitism. It is clear that the confused message has been damaging in the minds of many of our middle England voters
3. By the time you read this you may have already seen some material in The Sunday Times about the focus groups which they conducted. David's daughter, Eleanor Mills, commissioned them and told me that they showed:
 - 3.1 Worcester woman is bemused and a little scared. She is losing trust in the Labour party, because she says that when she voted for it in 1997 she believed that it had changed and was no longer the party of class war; now, with the recent rhetoric, she thinks that the "New" bit of Labour may have been a "clever con".
 - 3.2 Laura Spence again: are we in favour of aspiration or not? Are we still after all fighting the class war? Is the problem all in the universities or also in the schools? Is our attack on elitism a cover for an attack on the aspirations and ambitions of parents for their children?
 - 3.3 We are not perceived as having one message for the whole country - but perhaps one for the Labour Party and a different one for everyone else.
4. There was also a sense in the Worcester woman groups that Labour is anti-tradition, anti-history and anti-heritage (the Tories are capitalising on this) and that

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Labour thinks tradition and history are to be thrown away, that they are the preserve of the privileged elites. (A good example of how much we all value the past is the phenomenal rise in the popularity of history: take the recent series on Elizabeth 1 on Channel 4 which has beaten Ali G, Friends and even Brookside in the ratings.) As you say, the British people value their heritage and you do, too.

5. So it is quite right to assert, as you do, the value of good traditions. But you might like to say more about the role of the WI here, and hold it up as an example of the importance of people getting together in voluntary organisations (in itself an excellent tradition), and praise its commitment to lifelong learning. The ambition to rebuild civic society is delivered in practice by long established organisations like the WI. The WI is an example of civic society in action - reciprocity and interdependence. It started in the UK in 1915 at a time of major change for women; now 7 out of 10 women are in work, and the work/home balance is a major issue. Women make their choices, government does not prescribe them.
6. The WI also has an impressive record of raising issues before they became common areas of public debate: adoption, food safety, domestic violence (look at the book of mandates to get more on this). The WI thus represents much of the progressive tradition and stability through social change which is and has always been such an important part of English society.
7. I am sure it is right to keep repeating that we are building a country which promotes aspiration and creates opportunity for all who aspire, including those who aspire for better things for their children, and that this is not driven by envy. This gives you the opportunity, in the context of your statement of belief in community, to make the case for the value of schools to which all of the community send their children, aspiring high not levelling down, in which all the parents of a neighbourhood have a stake - a very important building block of strong communities.
8. Good schools are incidentally a key to the survival of villages and will ensure, for instance, that families with young children do not move away in search of schools for their children. It is not that we want to take opportunity away from some children and give it to others but to remove the obstacles that many disadvantaged families face - arising from lack of confidence, low expectations, etc
9. The problem with the Laura Spence brouhaha is that it gives the country the impression that we are trying to level the education issue from the top down (criticising Oxbridge) rather than from the bottom up (making state schools better). We need to make the case that Labour will not practise positive discrimination leading to lower standards, but will apply its energies where they are most needed i.e. in giving disadvantaged children aspirations and the means to realise those aspirations. Labour's desire to improve state schools and the prospects of its pupils is not class war but its exact opposite - creating a world class state school system that works for children of all backgrounds will sustain stable communities.
10. You will no doubt want to deal with the concern on the part of the WI not to be seen as all jam and "Jerusalem"; the WI's alternative calendar will raise a laugh - New WI - the WI modernised by taking their clothes off!

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11. You mention Leo. You want all the babies born that day to have the best possible chances in life - so link his birth with the aspirations of all the other parents of babies that day. Aspiration, aspiration, aspiration: but children from disadvantaged families have so many more obstacles in their way, and ours is a government on their side, committed to bettering their chances.
12. For many people change is frightening. They do not believe that the upheaval and uncertainty will mean that they are better off at the end. Hence the support for manifestly outdated local hospitals faced with closure: better to hold on to what you have than to see it go with only the promise of something better in the future.
13. Some change happens beyond our control, the result of our increasingly global economy, but other change is driven by us as part of our programme of reform and modernisation. We recognise the insecurity but they must trust us to deliver and to deliver better results.
14. Finally you talk about the importance of behaviour, good manners etc and I think that will go down well. You may also want to talk about the strength of families in shaping children and their aspirations, and the importance of family meals - a dying part of life for many families. I can get the latest figures for how often families now eat together but the decline has been marked over the past ten years.

I hope this is useful. Please let me know if there is anything else you want me to do. I look forward to seeing you on Wednesday.

Yours

TGSW.

SPEECH TO THE WOMEN'S INSTITUTE

speech\womens institute
as at 4 June 1515
words: 4792

At the heart of my beliefs is the idea of community. I don't just mean the local villages, towns and cities in which we live. I mean the broader idea that the path to our fulfilment as individuals lies in society with, and not in isolation from, others. My argument to you today is that the renewal of community is the answer to the challenges of a changing world, challenges too vast for us to face as individuals alone. Rebuild community and we can rebuild a great nation. Fail and our future will be a nation increasingly divided and unfair, where opportunity and security are reserved for the minority not the broad majority of British people.

I will further argue that community can only be rebuilt in the modern world by combining the old and the new, by combining traditional British values of responsibility and respect for others; with a new agenda of opportunity for all in a changing world.

It is time to put the old and the new in harmony.

We all know what we want.

A strong economy, rising living standards, good schools, an NHS which is there when we need it, secure streets. But there is no possibility of achieving it – absolutely none – unless we both return to our core values as a nation as a community and then revolutionise the means of their application for the modern world.

Old-fashioned values, yes

Old-fashioned attitudes, no.

Let me explain what I mean by new and old. We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I am familiar with this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. Frequently we were accused, in doing so, of abandoning our basic beliefs. To ditch a long-cherished policy was to ditch values people said. But I always regarded it and still do as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of the idea of community. The building block of community is responsibility, respect for others. That is a value as old as time. I believe in it passionately. Without responsibility to others, there is no law-abiding conduct. There is no basis for the family. There are no public services. There is no shared purpose. It is the foundation of civic society. It always has been and always will be. So, to renew civic society is to renew the concept of mutual responsibility.

But my generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties or the laissez-faire of the eighties. Yes, we want a renewal of civic society. We want a society of rules and order. But we want it for today's world. We do not

want a society of hierarchy or prejudice. We want to put the new and the old in balance.

When I think of the values and attitudes of my dad's generation, I distinguish between the genuine values that underpinned the best of Britain and the attitudes we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes may simply be barriers that hold our values back. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

The detestable football hooligan: it's not just the violence. It's the sheer rudeness, disrespect of it all.

For my father crime was unthinkable – and he was brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home. When my father saw the teacher, he apologised for me. It would never have occurred to him to complain instead. These seem small things, but are in fact the difference between living in a society and living in a jungle. My mother, an active member of her Women's Institute, saw it quite simply as her duty as well as her pleasure to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

These are all old-fashioned virtues and values and I hope we all share them and accept our responsibility to instil them in our children as our parents did in us. We want them back.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He'd be horrified at me going to church not dressed in suit and tie. Some of his generation – though not him – were, let us say, not always fair-minded on issues like race or in attitudes to gay people.

They were probably a lot more active sexually than they ever let on; but they talked about it less frankly than we find natural.

My generation feels differently: we're for good manners but casual dressing; tolerant of different lifestyles, but intolerant of crime.

We love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we have great modern buildings and art. We applaud the Tate Modern, and the way the revitalised Globe Theatre treats Shakespeare; laugh at The Simpsons or Only Fools and Horses but love the BBC productions of Jane Austen or Bronte or Dickens. We are putting the new and old in a balance right for our generation.

All this is necessary to explore because otherwise we impale ourselves on a totally false and dangerous choice: either change is seen as an obliteration of our history; or alternatively a call to return to a society based on clear values, is seen as a retreat into the past. The truth is that we cannot renew civic society without a return to the core values of responsibility and respect for others; but these core values have to be applied in a way appropriate for today's world.

And today's world is above all a world in the throes of change more dramatic and faster than at any time since civilisation. Again and again, when I analyse the world in which my children are growing up, I come back to the spectre of change. When Chinese workers are employed at one fiftieth of the cost, our workers have to create things that the Chinese cannot make. When 80 per cent of new jobs go to women, we cannot expect childcare and care of the elderly to be done in the old way. The global economy; the technological information revolution, are all transforming the world of business and work, bringing massive insecurity as well as opportunity in its wake. In the USA today, one in four families now changes home every year. And of course there is cultural and social change in community and family life. The new science of genetics, the investigation of the human genome, of which the controversy over genetic modification is just a part, will, in all probability, take over from the internet as the next shaker of the never-ending kaleidoscope of change. It is exciting and it is frightening.

No wonder people feel insecure and worried for their future. In this world of change, we will only survive and prosper if we act together to provide the opportunity and security people seek. If people have to change jobs many times in a working life, if industries come and go in a matter of months, if a crisis in Asia can cause, as it has, jobs to go in County Durham in my constituency, if science and technology is going to put the world into a state of permanent revolution and if families are going to be subject to all the strains and stresses of this new world, then we need the power not just of Government but of the community on our side helping us through it. Our challenge is to use the power of community, of us acting together to become the masters of this change, not its

victims. On our own, we, or the majority of us are impotent. Together we can shape our destiny.

But it must be done to benefit us all.

The spirit of this age is democratic. We won't rebuild civic society on the basis of deference or hierarchy. The rich man is his castle, the poor man at his gate: it won't wash any more if, in truth, it ever did.

This is a social truth and an economic necessity. Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of its people. A class-ridden society can't do that.

A modern civic society must be built around the notion of the equal worth of each citizen. That is true equality. Not equal outcomes but equal worth. If we do not provide opportunity, we will fail to achieve responsibility.

Opportunity to all and responsibility from all = a community for all.

So: what are the consequences of all this? How do we put old and new together in policies for the future, combining opportunity and responsibility?

We were elected because of two terrible recessions in the 1980s and 1990s, because we had slipped to 42nd in the world education league, because crime had doubled, and because the NHS had been broken up. On each count, progress has been made: the economy has had continuous steady growth, primary school standards are rising, burglary is down 20 per cent, and the NHS is now seeing

more patients, faster, than at any time in its history. But I am the first person to say that as long as there are one million unemployed, 50 per cent of school leavers without five good GCSEs, NHS treatment variable in quality and speed, and violent crime is rising, then Britain needs a lot more change to fulfil all our ambitions for a better life. I want to offer that change, firmly rooted in our values.

The first base is to return to economic stability, something we rarely achieved in post-war years. The new system of economic management with Bank of England independence and spending rules has delivered low inflation, low interest rates and sound public finances. I know people disliked the rise in petrol prices and the abolition of mortgage tax relief. People wanted more money spent on public services immediately. But we simply could not carry on paying out more interest payments on our borrowing than we spent on the whole of the UK's school system; and a doubled national debt. The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, mortgage rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of £100 per month.

But then we have to open up new opportunities to work and skills in the future.

By the end of this year, there will be almost one million more jobs in Britain, 250,000 of them through the New Deal. We lead the world for inward investment. We have just been listed by the Economist as the second best place in the world to do business ahead not just of France, Germany and Japan but also

of the USA. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly especially for women for the first time. None of this is coincidence. It happened through change.

But there is still a huge amount to do. And the big task that now confronts us is investing in the country's future. There can be no greater responsibility for us, as a nation than to invest in our education system to boost productivity, skills and provide opportunity; in our transport system to provide mobility; and in our health service and police to ensure security for all. Put bluntly, Britain is an "under-invested in" country. We didn't invest wisely when we were spending public money in the 60s and 70s and we didn't invest enough in 80s and 90s. If we want a first-class education system; or an NHS that is once again the pride of Britain; or a transport system that is not creaking at the joints, we will have to invest. Except this time, we should do it allied to fundamental reform.



More specialist schools, radical change in inner-city comprehensives and we if want good teachers, we will have to pay to get them. New opportunities to go to university. In the next decade we should aim for 50 per cent of school leavers to go to university.

New opportunities for adult skills. By next April internet and new technology courses will have an 80 per cent discount. Anyone should be able to get them and

New opportunities for decent healthcare. The NHS plan will be published in July. But we should aim to

New opportunities to develop the industrial base of the future.

There is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security. The role of us as a community, is to help people through the change; "old" perhaps in our responsibility to others; but determinedly "new" in our means of breaking down the barriers to opportunities for all. Our goal must be to become the No.1 nation for education and the new technology in the 21st century. Of course it will take time. But it will take more. It will take an acceptance by us, the British nation that we have a collective responsibility to open up the opportunities necessary to get there.

One of the interesting things about taking a little time off with a new baby, is you start to think like a normal human being again. Sitting there with Leo, watching the odd news bulletin, I have been utterly bewildered by the debate over state schools and Oxbridge. I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. Indeed everyone seems to agree on that. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fontelroy and Dave Spart. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do and indeed succeeding. And

we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. I will have no truck with old-fashioned egalitarianism that levels down. But I am a passionate believer in equality of opportunity. I am an unashamed supporter of excellence. But we need to give far more of our kids a shot at it.

Responsibility plus opportunity is the only way to a society where all not just a few get the chance to succeed. And this is not just economic. All of us know the quality of our lives is not just about what we earn. It is about dignity, friendship, love, our families. Yet here is where we feel we have lost something precious. You can put it in any numbers of ways. I call it: respect for other people. When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

So how do we rebuild it? Here again we need to match the opportunity with the responsibility. The Americans call it "tough love". I say: "something for something". But its the same idea: its effectively a covenant for citizenship. Together, we accept as a community, a responsibility to open up opportunity for all. But in return we can be tougher, more direct, more insistent on demanding something back from the individual, on responsibility being mutual. So if we are putting billions of pounds into the New Deal for the unemployed, people can't be expected to sit at home claiming benefit if they could work. If you are a teenage mum and want help, you should be in a proper hostel or home where there is support but also education and improvement. If, as I hope we can, we expand

youth services and sports facilities for our youngsters, they should not be hanging round street corners at night or disturbing old folk in their homes.

And I tell you in all honesty on the issue of crime, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. And we need tougher measures. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. Tomorrow the Home Secretary will announce the first steps.

The bedrock of a decent society is the family. I have no doubt that as much as poverty or social exclusion – vital though it is to tackle those evils – the breakdown of stable family life causes not just individual misery, but crime, disrespect for others, anti-social conduct. It is in the family we first learn the limits, the rights and wrongs, of individual behaviour. But again I want to be frank. If you ask me what I believe, it is easy to reply. I believe in marriage, though it is the underlying commitment that matters most. I believe in families staying together, though I recognise some won't.

(A)

It is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the

stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.

~~we need to believe in marriage, in the commitment of~~

So we know the ideal. We know it's often not attained. But if you ask me not what I believe in as an individual, but what I can do as a Prime Minister, then we need to examine carefully as to what Government should and should not do.

People attacked us for removing the MCA. That's anti-marriage they said. I simply say. The MCA used to be paid at 40%. The previous government reduced it to 15%. We abolished it. Why? Because the MCA was not just paid to married couples; it became paid to unmarried couples; it then was paid to single parents as well as couples; and on divorce, it was also paid and for the first year after divorce at double the rate. We decided to recognise that the only thing about it that promoted marriage was its name and that it was better instead to pay more money to families with school-age or younger children.

I say this really as an illustration. Whenever people say to me: promote marriage in government policy, I say: "how?". And the problem with the suggestions is that they always involve value judgments about individual families that politicians are the last people qualified to make; or they involve penalising the children of divorced or single parents.

~~have & had~~ ^{a ban!} ~~have me promote these values~~

I have thought about this a lot, probably because I am so lucky in my parents and my wife and I want people to share what I have had. But I have concluded that the only thing that makes sense is to define the responsibility of us all in a rational way. Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme

for vulnerable and very poor families. And then to help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through hugely increased flexibility in hours, through making sure that working women are paid the same as working men or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. So for Government, the issue is how to enlarge opportunity and security for families in meeting the challenges of modern life. This will be a major part both of the spending plans in July and in the pre-Budget report in November.

In return, society is entitled to ask responsibility from parents. A child is for life – fathers owe a responsibility and once we have sorted out the absurdities of the CSA, we can give effect to that better. Parents have a duty to see their kids aren't playing truant; aren't out late at night causing mischief.

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to ^{put the case for} ~~advocate~~ marriage and commitment; to explain why responsibility applies in the family as well as outside it.

It takes commitment to keep a family together. It takes altruism to keep a community together. The British are famous for their voluntary work – and that is another national achievement of which we should all feel proud. X million of you each year choose to help other people for no reward save the satisfaction of being able to make someone else's life better. That is a triumph for those of us who believe that money isn't everything, that we are not motivated solely by

greed. There is a genuine altruism that pervades this country and it is a precious gift that needs care and attention.

[policy]

In this way, we can again make sense of old and new, taking the proud British tradition of volunteers and providing new opportunities for it to help succour and deepen our social and community bonds.

Now: this is a very tall agenda. It means the economic and social reconstruction of Britain. Have we as a country got the stomach for it? It's easy to say yes, but none of this is possible without hard choices. If we want to invest in the future, tax cuts can't come at the expense of that investment. If we spend on education, we can't spend as much on other things. If we simply spend money in the NHS or schools without fundamental reform, I promise you the money will be wasted. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Today we publish plans that allow us to do so. But be under no illusion: of course people should be entitled to receive their payments in cash; but we can't force people to do that and over the years increasing numbers will choose to have the money paid into their bank account. In addition all round the world postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality and the challenge of change. // If we want to conserve we have to change. Where forces of conservatism or reaction

stand in the way of necessary change, they undermine the very values we seek to conserve.

So it is a challenge. Let me give you another example. When I talk about Europe and the need for Britain to be a key player in Europe, some say I'm out of touch or arrogant. I am not out of touch on it. I know people's feelings. But I can only say what I believe: that for Britain to retain its status as a major power in the world, we cannot be separate from the crucial strategic alliance on our doorstep, the EU.

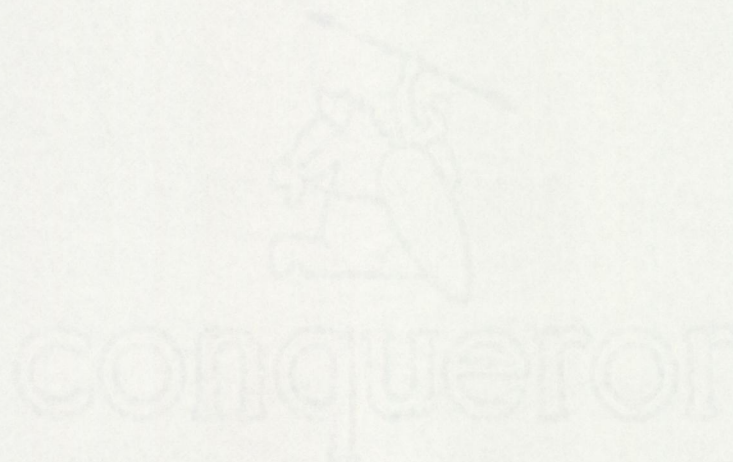
I use this just as an example. There is a curious paradox I find in politics: people say: we want politicians to tell us the truth; then you say something people don't want to hear and they say: you're out of touch. It's what I mean by hard choices. That's life. We know it in our personal lives. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. My little Leo has had an extraordinary calming influence. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term. We are talking about renewing Britain as a great nation in the 21st century after, whatever our triumphs, particularly in saving the world from fascism, was a 20th century of

decline. But it is not a challenge for the faint-hearted. It take time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read our newspapers, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down. We've got enormous strengths, rightly envied round the world. We showed how we could lead the world before. Now let's show how we can lead them again.

I have a clear vision as to how that can be done: by building a nation of opportunity for all and responsibility from all in a world of change. I don't want them calling Britain quaint. I want us to be called dynamic. To be so, we must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face. Resolute in our values, but unremittingly courageous in our application of them to change; we can through renewing ourselves as a community, conquer these challenges and succeed.



PRIME MINISTER

From: Anji Hunter

Date: 4 June 2000

**cc: Alastair Campbell
Philip Gould
Sally Morgan
David Miliband**

This latest draft has included AC's comments – you have fleshed out his modernisation and leadership points with a strong and very TB voice. Sally makes some good suggestions, particularly on saying more about the WFTC and recognising your audience's voluntary activity, such as the PTA (but unlike her I am comfortable with "old fashioned values"!)

David, too makes good suggestions on making it more policy-rich and repeating our key phrases – a lot done, a lot still to do, excellence for all – and using simpler examples: less trillions of dollars more 'Chinese' examples. Also, repetition of the old chestnuts – fire arms etc. Also, in recognition of the audience you could elaborate on use of IT/internet. Many of them will be struggling to use it; many are learning it to communicate (eg my in-laws) with their children and grand-children. You should say Married Couples Allowance, not MCA; ditto with BSP. Maybe Karl Marks instead of Dave Spart – few of them will have heard of the latter. Applaud or admire the Globe instead of adore, and TV productions instead of BBC. To be totally up-to-date a passing reference to the recent history of 'Elizabeth', which has astounded by its huge ratings.

I like the idea of the Bank of England as an example of 'old' (and one they will identify with) being transferred for the benefit of 'new' i.e. "when we took office, the Chancellor and I decided to place interest rates under the management

of the Bank of England, an institution which goes back to the 17th century but has fully adapted to the modern age. It has proved a very sensible decision, and the Bank's interest rate policy is one of the reasons why our economy is so strong".

I note you have taken out any reference to the monarchy. I will no doubt be a lone voice but I think you should reinsert something. The Queen is the most famous woman in the country and exemplar of WI values and indeed ours – community responsibility etc. She has been a source of help and encouragement to you, as she has been to ten of your predecessors. Also The Queen uses the internet, the Royal Family's website is one of the most visited in the country(?), they have opened up their palaces to the public. It is timely, too, with all this Camilla stuff and shows they can adapt and modernise as well. Remember the deeply conservative nature of this audience and indeed the whole country.

Without being overtly critical of past administrations you could elaborate further on the state of the nation as you found it. I agree with AC/DM that you could emphasise the size of the debt, the numbers of illiterate adults, children born into real poverty, that you inherited. Perhaps something more on emphasising that we all benefit from policies in these areas. Maybe something more about the importance of women's unique perspective and values – e.g. that you had no greater supporters in your war against Milosevic than Margaret T and Clare S, and why.

Also on the 'old' vs 'new' you should use as examples what the government has done re peers – an anachronistic in the 20th century, let alone the 21st – and devolution (with maybe a further little hint of humility).

On the family stuff, whilst of course it is important to recognise that families should not and do not stay together if relationship irretrievably break down (Sally's point here – a passing nod to the WI for their work re domestic violence), you should stress the importance of family stability "it is a widely shared belief that a child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and ~~nut~~ture. They are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce".

Monica

PP

ANJI HUNTER

AC

SM

DM

PG

~~PH~~M

PH

From: Alastair Campbell

Date: 4 June 2000

PRIME MINISTER

**cc: David Miliband
Sally Morgan
Anji Hunter
Peter Hyman
Philip Gould**

WI SPEECH

Although the latest draft is a huge improvement, I still feel there is a risk that the opening part in particular comes across as very defensive, and the attempt to marry old and new conditions look like a rejection of the new, or at least embarrassment about it.

It is fair to say old-fashioned values are good, but the downside of old-fashioned attitudes which insulate and discriminate, and old-fashioned practices which are vested interests by another name surely has to be played up.

I also think there is a better way of explaining your central argument through the experience of the Labour Party, and I suggest something as follows:

“When I became leader of the Labour Party I immediately launched a review of our constitution – something so obvious now it seems incredible that it caused such a fuss – up went the cry that this was us betraying what we really believed in. The opposite was true. We passionately believed, as did our predecessors, in social justice and the advancement of labour for all, not just a few. But through our policies and our attitudes we have

become out of touch and rendered ourselves incapable of putting the decent values into practice.

And so I had to go and persuade the Party that these changes were right, not just electorally sensible, but rooted in our convictions and our values and our insights about the modern world.

I feel the same today about so many of the arguments about Britain. I am a patriot. I believe this has the potential to be the greatest country on earth. But much as we enjoy singing that song, we know this is not Jerusalem. We know it could be so much better than it is today.

It could only be better if we embrace change. But this is change not to dim the values and traditions we hold dear, that make us so proud to be British, but to make them come alive for today's world.

I would go further, for modernisation to be successful in rebuilding Britain, it requires us to embrace some of the old concepts and the old values that have been eroded in a faster, more chaotic, more selfish and materialistic world.

All my political life ... (take in your first paragraph).

Community is a concept as old as humanity itself. It is what I believe in. It is what I am in politics to deliver.

And I am clear about how: through an agenda of opportunity for all that is matched by responsibility from all.

If this is a country that is being honest with ourselves, opportunity for all is a new concept. Plenty have talked about it for centuries but cannot claim to have delivered. When we consider how many of our citizens have been without work, without education, without decent housing or healthcare responsibility from all is an old concept. It is one that I grew up with and I want my children to grow up with too. But it has been eroded, weakened over time. And now more than ever, if we are to get society based on rules and order, we need it back.

That marriage of opportunity and responsibility underpins our approach to, New Deal, etc.”

And ditto future policy agenda.

I think that Sally has a good point when she refers to the baby. You may think this is a bit much, but it illustrates the opportunity for all point.

“Two weeks ago, our son was born and has been taken care of in a happy, comfortable, loving family home.

Most children are born into a loving family. But even loving families find life a struggle and find many barriers put in their way. It goes without saying that we all want the best for our children. But I want all children born two weeks ago to be able to make the most of their potential. I want

all of their mothers to feel they can get the right balance towards family and work if that is what they want. I want every child to grow up feeling that whatever they feel they have within themselves to be they can become.

A few similar points.

Football hooligan point just sounds bizarre.

Mention the Tate without mentioning the Dome will create a problem.

There is a point about your Dad being horrified about casual dressing for church, it is better made if you could say that he was horrified rather than that he would be.

Page 6 is now very good, but I think you meander again until we get to the point where we need to be able to flag up new policy points and directions.

On page 9, people will think it odd that you suggest you have not been thinking like a normal human being, better to say that you step back from the din and daily hurly burly.

Pages 10 and 11 need stronger policy points forward. There is a danger with the family that you just sound like a commentator. People wont want to hear that there is nothing you can do. Also, on equal pay, what are we doing about it.

I just think your reference to FOC is apologetic.

I like the rest six paragraphs though I think you should make clear that your concern about newspapers is not just the destructiveness towards the Government and politics, but towards everything.

SM

pp

ALASTAIR CAMPBELL

CONQUEROR

Prime Minister

From: Philip Gould.

Date: 4th June.

WI SPEECH

1. This is better, much more your voice but I am sure you can take this even further forward.
2. This is a time of re-entry for you, and I think it is worth pausing and looking back to your first entry into national politics. Your unique contribution as a politician, your destiny was, and is, to be able, finally, to take Britain and its people into the future and to give it new self-confidence and a new role. You were and are able to do this because of an unprecedented combination of energy, vitality and newness and a respect for the instincts and aspirations of middle Britain.
3. In a conservative country you could be an agent for change because you were trusted to respect the conservative instincts of so many of our people.
4. Your radical project was always rooted in values of responsibility and community that gained trust far beyond Labour's normal hinterland.
5. But your political purpose has been muddled in to two ways:
 - The first is that your government has lost connection on the responsibility issues. And it has been painted as a government that seeks to obliterate the past into order to move onto the future. This is unfair because it distorts everything you have always believed in, but we have to live with that.
 - The second is that you have been painted as a politician who lacks conviction and substance, driven by expediency and not by values.
6. What we have to do now is undo the first problem without adding to the second.

7. The first essential is that the speech has much more of 'Blair the agent of change'. In this speech your mood is reflective and thoughtful. That is probably your current mood now. But the danger you run is that you appear passive, tired, and commenting rather than acting. You appear virtually powerless to deal with the problems of the family. The problem with this is that it runs this risk of feeding the mood of the nation - defeatist, giving up, thinking change is impossible, thinking we are a government running out of steam. **It is so important at this time that we persuade the British people that change is possible.** We must bring back a sense of hope and possibility. This is at the heart of your responsibility as Prime Minister. You must lead the people out of this defeatism.

8. But it remains the case that you feel that you have to reposition your government in two areas: rebalancing the old and the new and rebalancing responsibility and opportunity. But you have to find a way of doing this that does not seem defensive and does seem consistent with things you have said in the past.

9. It is true that there are contradictions in the attitudes of the British people towards change and tradition, but support for change is slightly ahead of support for tradition, although both are important. This is true even of Telegraph and Mail readers:

- 67% of Telegraph readers think change is a good thing. But 60% also 'feel better when tradition is respected'.
- 64% of Mail readers think that change is a good thing. But 62% 'feel better when tradition is respected'.

10. The way to rebalance without appearing defensive to think less in terms of the fusion of old and new, opportunity and responsibility, more in terms of a dynamic resolution of these two apparent paradoxes. By this I mean:

- **Change is the key to unlocking the best of the past.**
- **Responsibility is the key to unlocking Britain as a land of opportunity.**

11. I think your whole thrust should be much more - **the only way to preserve the Britain that we are proud of is to change it so that it can meet the needs of the 21st century. In other words change comes first.** This means that you matter, and New Labour matters, otherwise leave it to the Tories.

12. In the case of responsibility it is even clearer cut. A land of opportunity needs a community of responsibility. You cannot realise the potential of an individual except through mutual support, mutual respect. On page 6 you say: 'If we do not provide opportunity we will fail to achieve responsibility'. But the opposite is also true.

13. I think it is very important to get this right. The truth is that if the people of Britain, your audience next week, want a Britain that is strong and proud and decent and responsible, then they have to look forward and not back. Going back is not an option. Staying still is not an option. Change is the key to unlocking and preserving the best of the past.

14. Other points:

a) You appear to be have given up on saving the family. I don't think you can do that.

b) You need more of a sense of challenge and of struggle. It is not going to be easy. We will all have to change, all have to join in.

c) You need to deal more directly to the impediments to opportunity. If Britain is as unfair as you say it is, if Britain needs to become more meritocratic, how will this happen? You mention taking on the barriers to opportunity but I think you must deal more explicitly with this. The hardest question you face is 'how do you get rid of unfairness without appearing anti-excellence and anti-past?' You believe in taking on the forces of conservatism but you believe in what is good about the past. You hate inequity, but you love excellence.

I think one way of doing this is to link merit not just to opportunity but to responsibility. If we believe in responsibility, then we must honour those who work hard, have merit, and deserve to get on. An unfair society is an attack upon responsibility just as much as it is on opportunity.

The second way forward is through redefining your one nation politics. Making them less static, more dynamic. All successful political leadership involves taking people on, changing minds and accepting unpopularity. You want to rebuild Britain, to build a nation strong and confident again. That means the skills of all must be used. The merit and effort of all recognised. This is your mission in politics. It is because you represent the nation as a whole that you will take on those forces and attitudes that stop the nation as a whole realising its potential.

You are a one-nation politician but a one-nation politician cannot tolerate unfairness. There is no conflict here. Class politics have gone, but the politics of fairness and merit have only just started.

Education has to remain Britain's No 1 priority.

To be fair, a lot of

(harder & harder work is happening.

This year ^{for the first time} over 70% of an 11yr

class will pass the literary &

numeracy tests. ~~For the first time.~~

We will have spent almost £6bn

on school buildings. The new

specialist schools - comprehensives

which offer a subject they specialise

in - ~~which creates excellence~~

have seen results go up 12%.

Nursery education for 4yr olds is

now universal. We are expanding

universities & higher education places.

Teacher pay reform - which

will give around half of teachers a

£2000 p.a. extra pay rise - is coming in.

But there is a massive

task still to do.

OLD WI
SPEECH
PAPERS

Let me tell you what I mean by extending opportunity:

- helping the seven million, yes seven million, adults who have trouble with literacy, who can't find a plumber in the yellow pages, learn to read and write
- helping the ^{89%} ~~millions~~ of children who do not get a ^{even 2 hrs of sport a week} ~~proper chance~~ to learn sport
- helping the two million disabled people and one million lone parents written off as unable to work with the chance to find a job
- helping the millions of women who need childcare or who want to start a business with the support and the facilities to make the most of themselves
- helping the three quarters of British people who don't use the internet to get familiar with it and exploit its benefits

My government is going to help all these things happen.

And what of responsibility?

- confiscating assets from suspected drug dealers on the basis that they have to prove that they made their money legally
- taking powers to give drug tests to people on parole, and if they test positive taking action against them; that power is in a bill going through Parliament at the moment
- and when people breach a community sentence, being ready to take away their benefits – a measure opposed by the Opposition but proposed by the government because we want community sentences to mean something

*Robert
MCA*

we have got 1m extra
jobs in the British economy.
570,000 fewer on benefit, a saving
of ~~over~~ £8 bn. Work is being made
to pay thru the minimum wage

the WFTZ which has given 1 1/4 m
working families a real boost to
living standards. 1m ^{fewer} children ~~poor~~ are
in poverty.

But there is still a huge way
to go. Still 1m unemp. Still 2m
children in poverty. Still 50% of

our school leavers without 5 good
GCSE's. ~~I still~~ Don

But none of it will happen without
change & reform.

tackling congestion; and where in rural areas, people depend on their cars, making sure that some at least have the choice of a decent bus service.

Or take the NHS. A great British institution, staffed by some of the most decent, hard-working and professional people in this country. We should stay absolutely true to its values. But as I have been finding out in the past few months, working with those in the NHS, it is an institution held back by out-dated practices, old-fashioned systems, where the staff work flat out, but in a system that desperately needs fundamental re-design. In truth, if we do not now make real changes in the NHS, then no matter how much money we put into it the NHS will slowly decline. I am determined not to let that happen. But again, we need the values, embodied in the NHS, given new life by change and reform.

We need to re-capture some of that post-war spirit of renewing the nation; but apply it afresh to our 21st Century lives.

Put bluntly, Britain is an “under-invested in” nation. If we want to open up opportunity and provide security for people in the world of change, we must invest in the future.

Yet we have to do it
recognizing it all has to be for free.
When ^{we} ~~it~~ come to office the National
Debt has doubled. I mean people
don't like ^{the} ~~the~~ ^{duty} ~~debt~~ rises. But we
had to start our finances to keep
inflation & mortgages down.

the first time. None of this is coincidence. Again it happened through change. It happened through putting the power of government on people's side.

And in the modern global economy, there is no left or right in economic management. There is right or wrong.

When we took office, the Chancellor and I decided to place interest-rates under the management of the Bank of England, an institution which goes back to the 17th century but is still sharp as a razor. It has proved a very sensible decision, and the Bank's interest-rate policy is one of the reasons why our economy is so strong.

The deficit is now cleared. We are in surplus. National debt has fallen. Long-term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, interest rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of over £100 per month. With interest rates and inflation down, living standards – or, put another way, how well-off we are – will have risen on average by 10% during this parliament.

All this is geared to
creating economic strength & opening
up opportunity for all who just a
few years ago.

Community cannot be re-built
without opportunity.
But if we provide the opportunity,
then ~~we are fully justified in~~
these values we hold dear,
responsibility, respect for others -
must be vigorously re-asserted.

other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people.

→ The detestable football hooligans. They don't just commit crimes. They disgrace our nation. They degrade our society.

There ~~will be~~ ^{will be} tougher penalties for violent ~~crimes~~ ^{crimes of violence}
So in the next two weeks, there will be new measures to tackle violent crime.

And I tell you in all honesty, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. But unless we face the facts about what is causing crime, none of it will work. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. We have already introduced mandatory sentences for repeat drug traffickers and referrals and drug-testing orders to force drug addicted criminals to get treatment. Tomorrow the Home Secretary will announce the next steps.

For every new opportunity we offer, we demand responsibility in return.

Responsibility means we no longer hand out social security benefits without conditions. Claimants have a duty to look actively for work and take jobs they are offered. Something for something. David Blunkett will outline our plans later today.

Responsibility from all means parents have a responsibility to ensure their children turn up to school each morning. ~~Truancy stops a child fulfilling his potential. It also leads to crime and drugs.~~ The courts now have the power to impose fines on parents whose children truant persistently. I want to see them use this power.

Responsibility means that if you're out of prison on parole and the condition is you stay off drugs, if you go back on drugs you go back inside.

Responsibility means that if you have fathered a child you should help, including financially, in bringing that child up. Our reforms to the child support agency will include provisions for driving licenses to be removed from fathers who deliberately and wilfully default on payments they owe. We are also introducing new powers to allow the courts to conduct DNA tests on men who deny paternity

Responsibility means that if you're claiming state benefits you have an obligation to attend job interviews and not spend your whole life living off society.

Responsibility means supporting teachers and head-teachers not storming into the playground to complain when they have disciplined your unruly child. New parenting orders mean such parents now have to face up to their own responsibilities and can't get away with blaming or threatening teachers.

Responsibility means not breaking community probation sentences. Those who do will now lose their benefits.

But responsibility must apply to those at the top as well. Responsibility for business means paying women the same as men for the same job. That is our

Treating the state fairly, that's in the rules.

Not depriving the Revenue

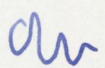
agenda for responsibility. It is tough. But it will help to restore the values we all want to live by: respect, responsibility and decency.

The forces that used to hold communities together – the family, the Church, respect for elders – ^{have been} ~~are~~ slowly weakening, and we need to revive them.

Commitment, trust and altruism are what hold the fragile web of community together. Parents' commitment to their children: adults' commitment to their elderly parents; the altruism of the volunteer who helps out in a hospice or a school or who takes meals to old people who live alone; the trust that a neighbour will keep an eye on your house while you are away.

Last year we took the first steps to encourage the expansion of voluntary work. This year, through our volunteering initiative, we have focused on ways not just of making it easier to give money but to make it easier to give time, energy and ideas as well.

~~And we need to support family life. A child's upbringing will generally be happier and more stable if both parents stay around and share responsibility for its care and nurture. The children are innocent parties in any breakdown and parents should think longer and harder about whether it is possible to stay together, to keep the commitment they have entered into. We don't want to see the return of the stigma that used to be attached to parents splitting up, but we do want parents to understand the damage that can be done to children by separation and divorce.~~


~~Government~~'s responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit;

nursery education and proper child care; the Sure Start programme. ~~By the end of this Parliament there will be 1m fewer children in poverty. We are committed over 20 years to erase child poverty.~~

We should help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through increased flexibility in hours; or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, ^{do so.} do want to stay at home and look after them, we should help them. ~~The key issue is choice, and we are determined to give more people more choice.~~

Then we have a collective responsibility: as individuals and through the institutions of moral guidance like the churches and other religious faiths to say why we believe stable family life is important; to put the case for marriage and commitment; to explain why responsibility applies in the family as well as outside it.

Now: this is a very tall agenda. Have we as a country got the stomach for it?

It's very traditional in one sense. Tough on law and order. Supportive of the family. Strong on defence. Pro-business. But in another way, radical; tackling unemployment and poverty; investing in state schools and hospitals; fighting discrimination wherever it exists. ; ^{opening up opportunity.}

And all of it needing reform and modernisation to meet the challenge of a changing world.

It's easy to say yes, but let me spell out the hard choices: if we want to invest in *education* ~~the future~~, tax cuts can't *come instead of* ~~come at the expense of~~ that investment. ~~If we spend on education, we can't spend the same money on something else.~~ If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Next week we publish plans that allow people to carry on taking out pensions and benefits in cash; and that will protect rural Post Offices and give them a new lease of life. Be under no illusion: over the years more people will choose to have money paid into their bank account and all round the world, postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality.

Change is tough. Modernisation, painful; reform, nearly always opposed. But unless we take on the forces of conservatism that hold necessary change back, then the irony is that the old values we seek to conserve, will disappear.

That's life. We know it as individuals. And politics is no different. It is just personal choices writ large for society.

In the last few weeks I've done a lot of reflecting. It is not just that life is in better perspective. There is a renewed sense of purpose. And I think we in Government – and that means me – have to trust people more. We don't need to fight over every headline. We should put more faith in people to listen instead to an argument, to engage the British people in a conversation about the future.

When we came to power with a majority of 179, some people said: now you've got a responsibility to do it quickly. My answer was to say: no, now we've got a responsibility to do it properly. For the long-term.

We have to rebuild Britain as a great and powerful nation for the 21st century.

But it takes time. It takes patience. It also takes optimism; confidence; self-belief. I worry sometimes when I read some of the press, there's so much destructiveness, cynicism, negativism. We shouldn't run our country down.

We've got enormous strengths, rightly envied round the world. Even today a report by the Economist shows Britain the second-best place in the world to do business, ahead not just of France and Germany and Japan but of the USA. But I don't want us second-best in anything. We showed how we could lead the world before. Now let's show how we can lead them again.

Look at yourselves in the WI. The old image, the old ways, cast off and now dynamic, engaged, socially aware, up to date with a real voice speaking with relevance about the condition of Britain. You haven't dropped your beliefs to do this. You haven't betrayed your past. You've renewed it. So with us, as a nation. We must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face.

So I say today: respect the old, for what it still has to teach: respect for others, honour, self-discipline, duty, obligation, the essential decency of the British character. Let us take these old values and blend them with the challenge of the new world to fashion a Britain able to take on the world, strong in new daring

and old wisdom, looking to the future while guarding all that is best in the past.
That is what we seek, and all of you can help us to find it.

The same approach – combining the best of the old with the best of the new – *to*
open up opportunity for all,
● applies also to transport or the NHS. We know our transport system is poor.

We know we need to plan its improvement. It won't happen by market forces.

But it will have to be done in a new way, financed differently; road and rail integrated; cities, as Manchester has with the Metrolink, finding new ways of

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FAXED PM

e: JB

AC

A+I

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4-6-00

Nick Matthews
Duty Clerk
10 Downing Street
London SW1

Dear Nick

We spoke a few moments ago. I would be grateful if you could forward the attached note to the Prime Minister with copies faxed to Alastair Campbell and Anji Hunter.

With many thanks

Tessa Jowell

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4 June 2000

Dear Tony,

Anji asked me to do you a short note about the WI speech on Wednesday. She will have told you how the WI are adamant about not wanting a party-political speech. Your draft centres on values and community and that will go down well. These are a few points that I hope you will find useful:

1. The WI will be debating rural post offices (very relevant to your community theme), children's hospices and strokes during the rest of the conference.
2. Since this will be your first speech since Leo, it will inevitably be read as "I'm back in charge". As you say in the draft, the hot issue has been the fall out from Laura Spence, Oxford and elitism. It is clear that the confused message has been damaging in the minds of many of our middle England voters
3. By the time you read this you may have already seen some material in The Sunday Times about the focus groups which they conducted. David's daughter, Eleanor Mills, commissioned them and told me that they showed:
 - 3.1 Worcester woman is bemused and a little scared. She is losing trust in the Labour party, because she says that when she voted for it in 1997 she believed that it had changed and was no longer the party of class war; now, with the recent rhetoric, she thinks that the "New" bit of Labour may have been a "clever con".
 - 3.2 Laura Spence again: are we in favour of aspiration or not? Are we still after all fighting the class war? Is the problem all in the universities or also in the schools? Is our attack on elitism a cover for an attack on the aspirations and ambitions of parents for their children?
 - 3.3 We are not perceived as having one message for the whole country - but perhaps one for the Labour Party and a different one for everyone else.
4. There was also a sense in the Worcester woman groups that Labour is anti-tradition, anti-history and anti-heritage (the Tories are capitalising on this) and that

Labour thinks tradition and history are to be thrown away, that they are the preserve of the privileged elites. (A good example of how much we all value the past is the phenomenal rise in the popularity of history: take the recent series on Elizabeth 1 on Channel 4 which has beaten Ali G, Friends and even Brookside in the ratings.) As you say, the British people value their heritage and you do, too.

5. So it is quite right to assert, as you do, the value of good traditions. But you might like to say more about the role of the WI here, and hold it up as an example of the importance of people getting together in voluntary organisations (in itself an excellent tradition), and praise its commitment to lifelong learning. The ambition to rebuild civic society is delivered in practice by long established organisations like the WI. The WI is an example of civic society in action - reciprocity and interdependence. It started in the UK in 1915 at a time of major change for women; now 7 out of 10 women are in work, and the work/home balance is a major issue. Women make their choices, government does not prescribe them.
6. The WI also has an impressive record of raising issues before they became common areas of public debate: adoption, food safety, domestic violence (look at the book of mandates to get more on this). The WI thus represents much of the progressive tradition and stability through social change which is and has always been such an important part of English society.
7. I am sure it is right to keep repeating that we are building a country which promotes aspiration and creates opportunity for all who aspire, including those who aspire for better things for their children, and that this is not driven by envy. This gives you the opportunity, in the context of your statement of belief in community, to make the case for the value of schools to which all of the community send their children, aspiring high not levelling down, in which all the parents of a neighbourhood have a stake - a very important building block of strong communities.
8. Good schools are incidentally a key to the survival of villages and will ensure, for instance, that families with young children do not move away in search of schools for their children. It is not that we want to take opportunity away from some children and give it to others but to remove the obstacles that many disadvantaged families face - arising from lack of confidence, low expectations, etc
9. The problem with the Laura Spence brouhaha is that it gives the country the impression that we are trying to level the education issue from the top down (criticising Oxbridge) rather than from the bottom up (making state schools better). We need to make the case that Labour will not practise positive discrimination leading to lower standards, but will apply its energies where they are most needed i.e. in giving disadvantaged children aspirations and the means to realise those aspirations. Labour's desire to improve state schools and the prospects of its pupils is not class war but its exact opposite - creating a world class state school system that works for children of all backgrounds will sustain stable communities.
10. You will no doubt want to deal with the concern on the part of the WI not to be seen as all jam and "Jerusalem"; the WI's alternative calendar will raise a laugh - New WI - the WI modernised by taking their clothes off!

+44 1608 662434

11. You mention Leo. You want all the babies born that day to have the best possible chances in life - so link his birth with the aspirations of all the other parents of babies that day. Aspiration, aspiration, aspiration: but children from disadvantaged families have so many more obstacles in their way, and ours is a government on their side, committed to bettering their chances.
12. For many people change is frightening. They do not believe that the upheaval and uncertainty will mean that they are better off at the end. Hence the support for manifestly outdated local hospitals faced with closure: better to hold on to what you have than to see it go with only the promise of something better in the future.
13. Some change happens beyond our control, the result of our increasingly global economy, but other change is driven by us as part of our programme of reform and modernisation. We recognise the insecurity but they must trust us to deliver and to deliver better results.
14. Finally you talk about the importance of behaviour, good manners etc and I think that will go down well. You may also want to talk about the strength of families in shaping children and their aspirations, and the importance of family meals - a dying part of life for many families. I can get the latest figures for how often families now eat together but the decline has been marked over the past ten years.

I hope this is useful. Please let me know if there is anything else you want me to do. I look forward to seeing you on Wednesday.

Yours

TGSW.

urgent

f a c s i m i l e

To: **Garden Room - Chequers**
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From: **PMO**
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Pages: 6
Date/Time: 04/06/00 10:31:56
Subject: WI Speech

Cd you give to PM and copy to others at home. Also, could you say to PM I have set out on last page my version of the argument that relates, I think, to the new first page just sent to me.

Thanks

David

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Thanks

David

From: Anji Hunter

Date: 4 June 2000

PRIME MINISTER

**cc: Alastair Campbell
Philip Gould
Sally Morgan
David Miliband**

This latest draft has included AC's comments – you have fleshed out his modernisation and leadership points with a strong and very TB voice. Sally makes some good suggestions, particularly on saying more about the WFTC and recognising your audience's voluntary activity, such as the PTA (but unlike her I am comfortable with "old fashioned values"!) David, too makes good suggestions on making it more policy-rich and repeating our key phrases – a lot done, a lot still to do, excellence for all – and using simpler examples: less trillions of dollars more 'Chinese' examples. Also, repetition of the old chestnuts – fire arms etc. Also, in recognition of the audience you could elaborate on use of IT/internet. Many of them will be struggling to use it; many are learning it to communicate (eg my in-laws) with their children and grand-children. You should say Married Couples Allowance, not MCA; ditto with BSP. Maybe Karl Marks instead of Dave Spart – few of them will have heard of the latter. Applaud or admire the Globe instead of adore, and TV productions instead of BBC. To be totally up-to-date a passing reference to the recent history of 'Elizabeth', which has astounded by its huge ratings.

I like the idea of the Bank of England as an example of 'old' (and one they will identify with) being transferred for the benefit of 'new' i.e. "when we took office, the Chancellor and I decided to place interest rates under the management

of the Bank of England, an institution which goes back to the 17th century but has fully adapted to the modern age. It has proved a very sensible decision, and the Bank's interest rate policy is one of the reasons why our economy is so strong".

I note you have taken out any reference to the monarchy. I will no doubt be a lone voice but I think you should reinsert something. The Queen is the most famous woman in the country and exemplar of WI values and indeed ours – community responsibility etc. She has been a source of help and encouragement to you, as she has been to ten of your predecessors. Also The Queen uses the internet, the Royal Family's website is one of the most visited in the country(?), they have opened up their palaces to the public. It is timely, too, with all this Camilla stuff and shows they can adapt and modernise as well. Remember the deeply conservative nature of this audience and indeed the whole country.

Without being overtly critical of past administrations you could elaborate further on the state of the nation as you found it. I agree with AC/DM that you could emphasise the size of the debt, the numbers of illiterate adults, children born into real poverty, that you inherited. Perhaps something more on emphasising that we all benefit from policies in these areas. Maybe something more about the importance of women's unique perspective and values – e.g. that you had no greater supporters in your war against Milosevic than Margaret T and Clare S, and why.

Also on the 'old' vs 'new' you should use as examples what the government has done re peers – an anachronistic in the 20th century, let alone the 21st – and devolution (with maybe a further little hint of humility).

faxed to
SM AHL ✓
PM PF
AC DM

SPEECH TO THE WOMEN'S INSTITUTE

speech\womens institute
as at 3 June 2115
words: 4474

At the heart not just of my politics but of my beliefs is the idea of community, the notion that the path to individual fulfilment lies in society with, not in isolation from, others. The renewal of the idea of community, ~~of civic society~~ ^{in the human world,} in Britain today is the answer to the challenge ~~we face~~. Challenge too great to face as individuals alone. Rebuild community and we rebuild a great nation. Fail and our future will be a nation increasingly fragmented, divided, unfair, where opportunity and security are for the minority not the broad majority of British people.

The idea of community is as old as humanity.

But the means of renewing it lie in combining opportunity and responsibility for all in a ^{new +} changing world.

It is time to put the old and the new in harmony.

~~the future~~
New Britain is built on old values, ~~but able to~~

~~I want~~ a strong economy, rising living standards, good schools, an NHS which is there when we need it, secure streets. ~~So do you~~. But there is no possibility of achieving it – absolutely none – unless we both return to our core values as a nation as a community and then revolutionise the means of their application for the modern world.

At the heart of my beliefs
is the idea of community. I don't just
mean the local villages, towns & cities
in which we live. I mean the broader
idea that the path to our fulfilment
as individuals lies in society, with, &
not in isolation from, others. My
argument to you today is that the
renewal of community is the answer
to the challenges of a changing world,
challenges too ~~great~~^{vast} for us to face
as individuals alone. Rebuild
community and we can re-build a great
nation. Fail and our future will
be a nation increasingly divided and
unfair, where opportunity & security
are reserved for the minority not the
broad majority of British people.

I will further argue
that community can only be rebuilt
in the modern world by combining
the old & the new,
~~opportunity for all with responsibility~~
~~from all~~

by combining traditional British values
of responsibility & respect for others;
with a new agenda of opportunity
for all in a changing world.

It is time to put the old & the
new in harmony.

We all know what we want:

Old-fashioned values, yes

Old-fashioned attitudes, no.

Let me explain what I mean. *by new + old.* A lot of Britain today seems to be "new". We in Government talk often about the "new" – whether the "new" economy, "new" culture, art, "new" NHS, "new" welfare state.

I am familiar with this argument from "New" Labour. We re-wrote the Party's constitution, changed its policies, altered our rules. Frequently we were accused, in doing so, of abandoning our basic beliefs. To ditch a long-cherished policy was to ditch values people said. But I always regarded it and still do as precisely the opposite: that the "new" was necessary in order to "re-new" the old; that the values – fairness, solidarity, social justice – lost relevance unless applied anew to a changed world.

I believe the same of the idea of community. The building block of community is responsibility, *responsibility for* ~~duty to~~ others. That is a value as old as time. I believe in it passionately. Without responsibility to others, there is no law-abiding conduct. There is no basis for the family. There are no public services. There is no shared purpose. It is the foundation of civic society. It always has been and always will be. So, to renew civic society is to renew the concept of mutual responsibility.

But my generation stands at the intersection between old and new. We have moved beyond debates about Victorian values or the libertarianism of the sixties or the laissez-faire of the eighties. Yes, we want a renewal of civic society. We

want a society of rules and order. But we want it for today's world. We do not want a society of hierarchy or prejudice. We want to put the new and the old in balance.

When I think of the values ^{attitudes} of my dad's generation, I discern between the genuine values that underpinned the best of Britain and the ^{attitudes} things we can safely and rightly leave behind. Old-fashioned values are good values. Old-fashioned attitudes may simply be barriers that hold our values back. My father was passionate about good manners. He always said: misbehave inside the family, if you will; but outside, make us proud of you.

Respect for others, courtesy, giving up your seat for the elderly, saying please and thank you.

The detestable football hooligan: it's not just the violence. It's the sheer rudeness, disrespect of it all.

All this I share.

for my father and he was

Crime was unthinkable – and was for my father brought up in poverty in a Glasgow tenement. If I was told off at school, I was told off again at home.

When my father saw the teacher, he apologised for me. *It would have seemed to him to explain instead* These seem small things, but are in fact the difference between living in a society and living in a jungle.

as well as her pleasure

My mother, an active member of her Women's Institute, saw it quite simply as her duty to help in the local community. Caring for and helping others was part of her being. Again, without such acts of kindness, however small, humanity for me has no meaning.

These are all old-fashioned virtues and values and I hope we all share them and accept our responsibility to instil them in our children as our parents did in us. We want them back.

But there are other things from past generations I choose to leave behind. My dad fiercely resisted my mum working. He'd be horrified at me going to church not dressed in suit and tie. ^{Some} Many of his generation – though not him – were, let us say, ^{not always fair-minded} ~~less than one hundred per cent progressive~~ on issues like race or in attitudes to gay people.

They were probably a lot more active sexually than they ever let on; but they talked about it less frankly than we find natural.

My generation feels differently: we're for good manners but casual dressing; tolerant of different lifestyles, but intolerant of crime.

We love British history, Britain's cultural heritage; the British way of life. But we celebrate the fact British actors and film are again leading the world; that we have great modern buildings and art. We applaud the Tate Modern, and adore the way the revitalised Globe Theatre treats Shakespeare; laugh at The Simpsons or Only Fools and Horses but love the BBC productions of Jane Austen or Bronte or Dickens. We are putting the new and old in a balance right for our generation.

All this is necessary to explore because otherwise we impale ourselves on a totally false and dangerous choice: either change is seen as an obliteration of our history; or alternatively a call to return to a society based on ~~clear~~ ^{clear} values, is seen as a retreat into the past. The truth is that we cannot renew civic society without a return to the core values of responsibility and respect for others; but these core values have to be applied in a way appropriate for today's world.

And today's world is above all a world in the throes of change more dramatic and faster than at any time since civilisation. Again and again, when I analyse the world in which my children are growing up, I come back to the spectre of change. The global economy ~~has re-written the rules of economic management.~~ In 1969, when I was the age my eldest boy is now, ~~// - was traded on foreign exchanges.~~ Today, it is ~~// -~~ A crisis in Asia puts people out of work in County Durham. The technological information revolution ~~is transforming the world of business and work, and is set to cause massive insecurity as well as creating~~ *it is massive insecurity as well as opportunity in its wake.* fabulous wealth. In the USA today, one in four families now changes home every year. Mass production ~~has ended or is ending~~ *virtually* in the Western developed world. ~~Some of the largest companies barely existed five years ago.~~ And of course there is cultural and social change. Community and family life is ~~experiencing strains our grandparents, possibly our parents, would never have guessed, existed.~~ *unrecognisable from 50 years ago* The new science of genetics, the investigation of the human genome, of which the controversy over genetic modification is just a part, will, in all probability in the not-too-distant future, take over from the internet as the next shaker of the never-ending kaleidoscope of change. It is exciting and it is frightening.

expand No wonder people feel insecure and worried for their future. *our challenge* ~~The task~~ is to use the power of community, of us acting together to become the masters of this change, not its victims. ~~Change makes a difference as to how we re-build community but it also provides a powerful incentive to develop it.~~ On our own, we, or the majority of us are impotent. Together we can shape our destiny.

This simply will not happen unless we also recognise that ~~The second difference in today's world is a development in human progress continuing over centuries, coming now to fruition.~~ The spirit of this age is democratic. We won't rebuild civic society on the basis of deference or

In this world of change,
we will only survive & prosper
if we act together to
provide the opportunity & security
people seek. If people have to
change jobs many times in a
working life, if industries come & go in
a matter of ~~years~~ months, if a visit
in Asia can cause, as it has, jobs to go
in countries where it is our ^{contribution}
if science & technology is going to put the world into a state of ^{permanent} revolution
& if families are going to be only left to ^{the} ~~the~~ ^{revolution}
all ~~the~~ ^{the} strains & stresses of this new world,
then we need the power not just of
Govt but of the community on our side
helping us turn it,

hierarchy. The rich man is his castle, the poor man at his gate: it won't wash any more if, in truth, it ever did.

This is also economic necessity. Brain has taken the place of brawn. A meritocratic society is the only one that can exploit its economic chances to the full; and that means exploiting the talent of its people. A class-ridden society can't do that.

A modern civic society must be built around the notion of the equal worth of each citizen. That is true equality. Not equal outcomes but equal worth. If we do not provide opportunity, we will fail to achieve responsibility.

Opportunity to all and responsibility from all = a community for all.

So: what are the consequences of all this? *How do we put it all new together in policies for the future, combining opportunity & responsibility?*

~~In economic policy, the first base along the path to the future is economic stability.~~

Return to
The first base is to go back to *economic stability, something we rarely achieved in post-war years.*

The new system of economic management with Bank of England independence and spending rules has delivered low inflation, low interest rates and sound public finances. I know people disliked the rise in petrol prices and the abolition of mortgage tax relief. People wanted more money spent on public services immediately. But we simply could not carry on paying out more interest payments on our borrowing than we spent on the whole of the UK's school system, and ⁹doubled national debt. ~~The first base of stability meant clearing the deficit.~~ ⁹~~It is now cleared.~~ We are in surplus. National debt has fallen. Long-

term interest rates are now converging with those of continental Europe for the first time in my life.

From 1979-1997, mortgage rates averaged ten per cent. In the last three years, they've averaged six per cent. For the family with a £40,000 mortgage, that's a saving of £100 per month.

But then we have to open up new opportunities to work & skills in the future
~~Second base was ensuring that the economy grew, jobs were created and work made to pay. We avoided the recession almost everyone said was inevitable, given Britain's post-war history.~~

By the end of this year, there will be almost one million more jobs in Britain, 250,000 of them through the New Deal. We ~~still~~ lead the world for inward investment. We have just been listed by the Economist as the second best place in the world to do business ahead not just of France, Germany and Japan but also of the USA. 670,000 fewer people are claiming benefit, a welfare saving of £X billion. For 1 ¼ million lower-income families, the Working Families Tax Credit has made work pay for properly *especially for women* for the first time. ~~My point is: it wasn't~~ *None of this* ~~is coincidence. We only did it by making changes. It happened through~~

~~after a change in our welfare & economic system.~~
And the big task that now confronts us is
We are now ready to move to third base: investing in the country's future.

There can be no greater responsibility for us, as a nation than to invest in our education system to boost productivity, skills and provide opportunity; in our transport system to provide mobility; and in our health service and police to ensure security for all. Put bluntly, Britain is an "under-invested in" country. We didn't invest wisely when we were spending public money in the 60s and 70s and we didn't invest enough in 80s and 90s. If we want a first-class education system; or an NHS that is once again the pride of Britain; or a transport system

that is not creaking at the joints, we will have to invest. Except this time, we should do it allied to fundamental reform.

→ P. 10

This is the third base: first stability; then work; now investment in the future.

It's not that we don't want tax cuts. Of course lower income taxes are desirable. But as the policies of 10 years ago have shown us, the only tax cuts that will last, are those that don't come at the price of long-term investment or sound public finances. And we should never forget: lower mortgage rates and increased earnings, help to raise living standards as much, sometimes more, than tax cuts alone, however eye-catching.

new opportunities to

Then, as we invest, we can reach fourth base: developing the industrial base of the future: the increases in productivity, use of the new technology and move to higher value-added "knowledge-based" goods and services,

small business electronic commerce.

For that we need: a welfare state that is not a benefits agency but an employment and re-employment service for middle as well as lower income families;

in electronic commerce; access to internet skills for all of us not just the under 30's; help for small businesses and venture capital: there is a huge agenda here for public and private sector. And there is no new and old economy. People talk of the internet businesses as if they were "new" and manufacturing "old", with some silent satisfaction no doubt amongst a few that Boo.com so spectacularly rose and fell. This is dangerous nonsense. There is one economy and it all faces the same challenge: that of an information revolution that will alter the very basis of business transactions whether in the newest media start-up or the most ancient manufacturing company. Without a fundamental shift in attitude, many people, through no fault of their own, will lose out on opportunity and security.

New opportunities in our secondary schools, where we should aim in the next Parliament to raise results by the same step-change as this movement has happened in primary schools. More specialist schools, radical change in inner-city comprehensives & we want good teachers, we will have to pay to get them. New opportunities to go to Uni. In the next decade we should aim for 50% of school-leavers to go to university. New opp. for adult skills. By next April internet & new tech-based courses will have an 80% discount. Anyone should be able to get them & — . New opportunities for decent healthcare. The NHS plan will be published in July. But we should aim to — .

The role of us as a community, is to help people through the change; "old" perhaps in our ^{responsibility to} caring for others; but determinedly "new" in our means of doing it. *breaking down the barriers to new opportunities for all.*

One of the interesting things about taking a little time off with a new baby, is you start to think like a normal human being again. Sitting there with Leo, watching the odd news bulletin, I have been utterly bewildered by the debate over state schools and Oxbridge. I would have thought it a statement of the obvious that we need to do more to attract pupils from state schools and from poorer backgrounds to our top universities. Indeed everyone seems to agree on that. So let's hear no more rubbish about class war, as if we had to choose between caricatures of Little Lord Fontelroy and Dave Spart. We all have a responsibility and we all could do better. The universities can do more to widen the pool of talent to recruit from, as many of them are trying hard to do. *& widen succeeding.* And we in Government could do more to improve the quality and funding of state education which ultimately is the only sure way to open up opportunities. I will have no truck with old-fashioned egalitarianism that levels down. But I am a passionate believer in equality of opportunity. I am an unashamed supporter of excellence. But we need to give far more of our kids a shot at it.

These opportunities
~~Mutual~~ responsibility is the only way to a society where all not just a few get the chance to succeed. And this is not just economic. All of us know the quality of our lives is not just about what we earn. It is about dignity, friendship, love, our families. ~~We need a decent standard of living. But it isn't the sum total of human existence.~~ Yet here is where we feel we have lost something precious. You can put it in any numbers of ways. I call it: respect for other people. When I hear of someone mugged, I am not just angry for the victim, I am indignant for all of us. When I see graffiti on a wall, I loathe it. I'm afraid like

other men my age, I do swear. But I hate people swearing in public or in front of children. This may seem trivial but it isn't. It is the very essence of respecting other people; and so responsibility.

So how do we rebuild it? Here again we need to match the opportunity with the responsibility. The Americans call it "tough love". I say: "something for something". But its the same idea: its effectively a covenant for citizenship. Together, we accept as a community, a responsibility to open up opportunity for all. But in return we can be tougher, more direct, more insistent on demanding something back from the individual, on responsibility being mutual. So if we are putting billions of pounds into the New Deal for the unemployed, people can't be expected to sit at home claiming benefit if they could work. If you are a teenage mum and want help, you should be in a proper hostel or home where there is support but also education and improvement. If, as I hope we can, we expand youth services and sports facilities for our youngsters, they should not be hanging round street corners at night or disturbing old folk in their homes.

And I tell you in all honesty on the issue of crime, if we don't deal with drugs, we don't deal with crime. We can all talk tough on it. It's the cheapest currency in political debate. And we need tougher measures. But unless we face the facts about what is causing crime, none of it will work. There are 100,000 registered drug addicts who are unemployed and presently unemployable. Half of all criminal offences are drug-related. We need two things: a massive expansion of drug treatment and rehabilitation; and then the most serious concerted crackdown on every aspect of drug abuse this or any western developed country has seen. Tomorrow the Home Secretary will announce the first steps.

Tough on crime and tough on the causes of crime is still the best policy there is but we need to be a darned sight tougher on both.

The same ^{combination} continuation of new and old applies to the family, the bedrock of a stable and decent society. I have no doubt that as much as poverty or social exclusion – vital though it is to tackle those evils – the breakdown of stable family life causes not just individual misery, but crime, disrespect for others, anti-social conduct. It is in the family we first learn the limits, the rights and wrongs, of individual behaviour. But again I want to be frank. If you ask me what I believe, it is easy to reply. I believe in marriage, though it is the underlying commitment that matters most. I believe in families staying together, though I recognise some won't.

All other things being equal, being brought up by a mum and dad in a stable marriage is best for children, though I detest stigmatising single parents most of whom are single parents through no fault of their own and many of whom do a superb job as parents.

So we know the ideal. We know it's often not attained. But if you ask me not what I believe in as an individual, but what I can do as a Prime Minister, then I tell you the answers are a whole lot more difficult.

People attacked us for removing the MCA. That's anti-marriage they said. I simply say. The MCA used to be paid at 40%. The previous government reduced it to 15%. We abolished it. Why? Because the MCA was not just paid to married couples; it became paid to unmarried couples; it then was paid to single parents as well as couples; and on divorce, it was also paid and for the first year after divorce at double the rate. We decided to recognise that the only

thing about it that promoted marriage was its name and that it was better instead to take the money and pay it to families with school-age or younger children.

I say this really as an illustration. Whenever people say to me: promote marriage in government policy, I say: "how?". And the problem with the suggestions is that they always involve value judgments about individual families that politicians are the last people qualified to make; or they involve penalising children.

I have thought about this a lot, probably because I am so lucky in my parents and my wife and I want people to share what I have had. But I have concluded that the only thing that makes sense is to return this notion of responsibility. We all have responsibility. Government's responsibility is to help family life: to support children, through things like higher child benefit, or from next year the new child tax credit; nursery education and proper child care; the Sure Start programme for vulnerable and very poor families. And then to help parents, most especially mothers, balance work and family life: not just through parental leave and maternity rights but through hugely increased flexibility in hours, through making sure that working women are paid the same as working men or if they are lone parents and want to work, they're given the help to do so. And if women, especially when their children are pre-school age, do want to stay at home and look after them, we should help them. These issues will be a major part both of the spending plans in July and in the pre-Budget report in November.

If we provide that support, then society is entitled to ask responsibility from parents in return. A child is for life – fathers owe a responsibility and once we have sorted out the absurdities of the CSA, we can give effect to that better.

Parents have a duty to see their kids aren't playing truant; aren't out late at night causing mischief.

Then we have a collective responsibility: me, you, the churches and other religious faiths to say why we believe stable family life is important; to advocate marriage and commitment; to explain why responsibility applies in the family as well as outside it. But this can only be done by us, recognising the proper sphere of government, what it can or cannot do.

It takes commitment to keep a family together. It takes altruism to keep a community together. The British are famous for their voluntary work – and that is another national achievement of which we should all feel proud. X million of you each year choose to help other people for no reward save the satisfaction of being able to make someone else's life better. That is a triumph for those of us who believe that money isn't everything, that we are not motivated solely by greed. There is a genuine altruism that pervades this country and it is a precious gift that needs care and attention.

Volunteering is something that we particularly want to encourage among the young and the old. Those of you in full-time jobs, or with young families, or perhaps both, may have little time or energy left to devote to voluntary work. But young people have both, and a dash of idealism too. And many of those who have retired from paid work also feel an urge to put something back into society.

I want to bring these generations together, because they have so much to offer each other, and because societies are stronger when the young respect and learn from the old. Retired people have time on their hands and are in better health than ever before. They can come into our schools to help with reading or they

can act as mentors to young people who lack a guiding spirit in their lives. Their wisdom and experience can be invaluable to those who are just starting off in life.

Now: this is a very tall agenda. It means the economic and social reconstruction of Britain. Have we as a country got the will to do it? Its easy to say yes, but none of this is possible without hard choices. If we want to invest in the future, that comes before tax cuts. If we spend on education, we can't spend on other things. If we simply spend money in the NHS or schools without fundamental reform, I promise you the money will be wasted. If we put all the money we are putting into pensions onto the BSP, then we won't help the poorest 2 million of our pensioners, many of whom are elderly women and have no political voice. Let me be even more specific. You have a strong campaign on rural post offices. I want to preserve them too. Today we publish plans that allow us to do so. But be under no illusion: of course people should be entitled to receive their payments in cash; but we can't force people to do that and over the years increasing numbers will choose to have the money paid into their bank account. In addition all round the world postal services are going to be revolutionised by new technology and the growth of the internet. So we can give rural post offices a future but I would fail in my duty to you, if I don't also say it has to be a future allied to future reality and the challenge of change.

One of the toughest parts of my job is sometimes to swim against the tide. Let me give you another example. When I talk about Europe and the need for Britain to be a key player in Europe, the papers write I'm out of touch or arrogant. I am not out of touch on it. I know people's feelings. But I can only say what I believe: that for Britain to retain its status as a major power in the world, we cannot be separate from the crucial strategic alliance on our doorstep, the EU.

I use this just as an example. There is a curious paradox I find in politics: people say: we want politicians to tell us the truth; then you say something people don't want to hear and they say: you're out of touch. It's what I mean by hard choices. That's life. We know it in our personal lives. And politics is no different. It is just personal choices writ large for society.

When we came to power with a majority of 179, some people said: it gives you a responsibility to do it all quickly. My answer was to say: no, it places on us a responsibility to do it ^{properly} ~~far~~ ~~openly~~. For the long-term. We are talking about renewing Britain as a great nation in the 21st century after, whatever our triumphs, particularly in saving the world from fascism, was a 20th century of decline. I have a clear vision as to how that can be done: by building a nation of opportunity ~~and security~~ ^{& responsibility from all} for all. In doing so, we must draw on every ounce of strength in our values, our traditions and our history. The British spirit – determined, fair-minded, gentle but immensely powerful and creative when roused – will be what sees us through. But we do need to be roused. The modern world is upon us. Every aspect of it demands our full concentration on the challenges we face. Resolute in our values, but unremittingly courageous in our application of them to change; we can through renewing ourselves as a community, conquer these challenges and succeed.

[end].

conqueror

AC
PM
PH
PG
SM

COMPUTER

