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PRIME MINISTER

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DEBATE ON THE ADDRESS

You may like to give some thought now to the shape of the speech for the Debate on the Address on 6 November. I attach at Flag A a copy of the speech in its present form and at Flag B a copy of your speech last year.

There are two major differences from last year. First, the coal strike to which you devoted about a third of your speech last time is over; and second, the legislative programme which last year was rather disparate and dominated by the Abolition Bill is this year substantial and dominated by Bills reflecting the Government's major priorities. This suggests that the speech this year should be less of a general economic analysis and more of an explanation of the legislative programme. The outline speech attached is based on that assumption.

I do not think that the speech need concentrate too heavily on foreign affairs this year. You will only recently have spoken at the United Nations and your statement on CHOGM will, I hope, have dealt with the South Africa issue. The speech will need to look forward to the Reagan/Gorbachev meetings on disarmament. But I do not think that we need a general foreign affairs section.

One thing which you stressed last year is still current this year: that of adherence to the law. You picked out two points in the Debate on the Address last year: the support by the Labour Party of unions which break the law; and the willingness of Labour Councils to step outside the law. Both themes are equally relevant this year, and I suggest that you return to them.

I suggest, therefore, that the overall balance of the speech is directed towards demonstrating the falsity of the proposition that the Government has run out of steam. In contrast to the Opposition, who wish to repeat the experience of the 'Seventies, this year's legislative programme points very firmly to the 'Nineties.

Timothy Flesher

10 October 1985

DEBATE ON THE ADDRESS: OUTLINE SPEECH

OPENING

(i) On proposer and seconder of the Loyal Address

(ii) Reply to speech of Leader of the Opposition including the following points:

- Mr Kinnock's speech and Labour Party Conference show that Labour's prescription has not changed.

- A fantasy world in which choices do not have to be made, eg. Joel Barnett "You name it we were pledged to increase it". The policy is the same only the figures have increased.

- The same tired old social contract already repudiated by the unions.

- The repeal of legislation giving union members a say and ballots before strikes.

- A return to penal taxation, eg. Hattersley's recent speech.

Labour's approach would turn the clock back to 1974. It demonstrates that Labour is a reactionary party.

Alliance would turn the clock back even further - to the 1960s.

By contrast the Government approach as set out in The Queen's Speech underlines the Conservative claim to be the only truly radical party - the most substantial programme of legislation for many years.

THE ECONOMY

The Queen's Speech continues the approach which has brought:

- Fourth successive year of growth now up to 4 per cent at underlying rate.
- Investment at all time record.
- Five successive balance of payments surpluses.
- Living standards well up - over 600,000 new jobs.

UNEMPLOYMENT

On unemployment, of course it remains high. This year will see:

- Two-year YTS
- Expanded community programme
- Implementation of budget measures to reduce labour costs.

The Queen's Speech contains further measures but what the Labour Party will not recognise is that the only way to keep jobs is to stay competitive. That is why the UK won against substantial competition the Saudi contract which will protect thousands of jobs - but did we hear the Opposition praising that deal?

THE QUEEN'S SPEECH

The core of The Queen's Speech this year is a series of major measures to promote enterprise and efficiency.

Promotion of Enterprise and Efficiency

(a) In the public sector

The programme includes a further extension of the Government's policy of introducing commercial principles and where possible competition into the public sector. Different solutions are appropriate for different industries, eg.

- commercial management of the Royal Dockyards;
- trading fund for the Atomic Energy Authority;
and
- full privatisation for British Airports Authority and British Gas.

All these will build on the success of the privatisation policy which has transferred 400,000 workers to the private sector in the last six years.

(b) In the private sector

The programme contains a series of proposals to remove obstacles to competition and to employment, eg.

- the Financial Services Bill
- the Building Societies Bill
- the Housing and Planning Bill
- the Shops Bill
- the Wages Bill

Value for money in public services

It is only by continuing these policies will we increase our national wealth sufficient to secure increases in expenditure on public services. Such increases have taken place but we need to get better value for money from existing programmes.

Only by increasing our national wealth could we secure increases in expenditure on public services. That has already happened but we need to get better value for money from existing programmes, eg.

- Social Security Bill will better direct expenditure towards those most in need.
- The Education Bill will improve teacher training and a better promotion structure.
- Continue programme of better management in the NHS, eg. new management structure and contracting out of services.

Next steps in the restoration of accountability to local government including

- the Local Government Bill to end the abuse of political advertising by local authorities and end contract discrimination
- continue progress with the success of rate capping
- progress with proposals for replacement of the rating system.

The fight against crime and disorder

In addition to the major economic programme, the session contains:

- the most far-reaching revision of public order legislation since 1936 as well as new measures to combat football hooliganism.
- In addition we will take further steps to control the evil of drug abuse.

The Pursuit of Peace Abroad

- Continue commitment to multilateral disarmament in comparison with Labour's policy of giving something for nothing.
- Prospects for Reagan/Gorbachev.

CONCLUSION

Legislation in The Queen's Speech is the next step in the transformation of Britain begun in 1979. The Government has been radical, but radical within the Law. In the Debate on the Address last year, I identified the critical issue facing this country as acceptance by all political parties of the rule of law. We got our answer at the Labour Party Conference

- retrospective reimbursement of those who quite flagrantlly choose to flout the law
- politically-inspired refusal of the cases of those found guilty in the courts of criminal charges
- support for councillors who deliberately break the law and ignore the interests of those they purport to represent.

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10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Alison,

Last year the Lord Privy Seal contributed some extremely helpful notes for the Prime Minister's speech in the Debate on the Address. I know that Mrs Thatcher will be grateful if he could do the same this year. For background, perhaps I might say that the strength of the legislative programme this session is such that it is likely that the Prime Minister will be concentrating most on that aspect of the Gracious Speech. But, it would be extremely useful for the Prime Minister to have the Lord Privy Seal's thoughts on the themes which she should stress.

Given the Prime Minister's heavy schedule in the second half of this month, contributions will be gratefully received as soon as possible.

Yours ever,

A handwritten signature in dark ink, appearing to be 'T. Flesher'.

Tim Flesher

Miss Alison Smith
Lord Privy Seal's Office



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Rachel,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short speaking notes on the Building Societies Bill, together with any other points which you would wish the Prime Minister to make in her speech.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Tim Flesher

Mrs R Lomax
HM Treasury



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Tom,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short speaking notes on the Financial Services Bill, together with any other material you think appropriate.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Yours
Tim Flesher
Tim Flesher

J Mogg Esq
Department of Trade and Industry



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Richard,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short speaking notes on the Civil Aviation Bill and any other material which you think appropriate.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Tim Flesher
Tim Flesher

R Allan Esq
Department of Transport



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Richard,

I am writing to commission materials for the Prime Minister's speech in the Debate on the Address on 6 November. Could I ask for short notes on the Dockyards Bill for next session from your Department, stressing, in particular, its contribution to improvements in the efficiency, together with any other material which you think might be included in the Prime Minister's speech. I should stress, however, that, especially since Mrs Thatcher is likely to be speaking at the United Nations only 2 weeks previously, the speech in the Debate on the Address is likely to concentrate on domestic issues and, in particular, the legislative programme.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Yours ever

Tim Flesher

Tim Flesher

R Mottram Esq
Ministry of Defence



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Leigh,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I ask for short notes on:

- i) The Wages Bill;
- ii) The introduction of the 2 year YTS;
- iii) The extension of the community programme.

In addition, I should be grateful for an up-beat section on the Government's policies of promoting enterprise and deregulation, especially in the context of this year's legislative programme, as a means of creating jobs. This list is not inclusive of course, and we would be grateful for any other contributions you wish to make.

Could I ask please for contributions by Thursday 17th October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Tim
RF
Tim Flesher

Leigh Lewis Esq
Department of Employment



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Geob,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short speaking notes on the Atomic Energy Authority Bill and the Gas Bill, together with any other material you think appropriate.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Yours
TF

Tim Flesher

G Dart Esq
Department of Energy



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Sir,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short notes on next session's Education Bill, together with any other material which you think might be appropriate.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

It may be that we shall need material on the teachers' pay dispute but we will ask for this much nearer the time if there is a need for the Prime Minister to cover this.

Yours

T. F.

Tim Flesher

R Smith Esq
Department of Education and Science



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear R.A.,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department short speaking notes on:

- i) the Housing and Planning Bill;
- ii) the Local Government Bill;
- iii) the rate reform;
- iv) the success of ratecapping;
- v) other reforms in local authority finance, eg capital controls;
- vi) Liverpool.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October. This does not, however, apply to the speaking notes on Liverpool which, given the fluidity of the situation, we shall not need until much nearer the time.

*Yours
T.F.*
Tim Flesher

R Young Esq
Department of the Environment



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Tony,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I commission from your Department material on the Social Security Review and the forthcoming Bill, together with any other material you think appropriate including new initiatives in the management of the Health Service.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

It may be that the material on the Social Security Review will need to be updated nearer the time but it will be helpful if you could provide such material as is appropriate at present.

Yours

Tim Flesher

Tim Flesher

T Laurance Esq
DHSS



10 DOWNING STREET

From the Private Secretary

9 October 1985

Dear Stephen,

I am writing to commission material for the Prime Minister's speech in the Debate on the Address on 6 November. Could I ask your Department for short speaking notes on the following:

- i) Shops Bill;
- ii) the Public Order Bill;
- iii) policing in the inner cities;
- iv) new provisions to control drug trafficking.

Could I ask please for contributions by Thursday 17 October. I apologise for the somewhat early request which is prompted by the Prime Minister's extremely crowded schedule during October.

Yours

Tim

Tim Flesher

S Boys-Smith Esq
Home Office