

FORWARD,
TOGETHER

Our Plan for a
Stronger Scotland,
a Stronger Britain and
a Prosperous Future

THE SCOTTISH CONSERVATIVE AND UNIONIST PARTY
MANIFESTO 2017



The next five years are the most challenging that Britain has faced in my lifetime.

Brexit will define us: our place in the world, our economic security and our future prosperity.

So now more than ever, Britain needs a strong and stable government to get the best Brexit deal for our country and its people.

Now more than ever, Britain needs strong and stable leadership to make the most of the opportunities Brexit brings for hardworking families.

Now more than ever, Britain needs a clear plan.

This manifesto, Forward, Together: Our Plan for a Stronger Scotland, a Stronger Britain and a Prosperous Future will meet the great challenges of our time, beyond Brexit.

With this plan and with a strong hand through Brexit, we will build a stronger, fairer, more prosperous Britain, for all of us.



Theresa May
Prime Minister

CONTENTS

Foreword by Theresa May.....	4
Foreword by Ruth Davidson	6
Five giant challenges	8
1. A strong economy that works for everyone	13
2. A strong and united nation in a changing world	31
3. The world's great meritocracy	47
4. A restored contract between the generations	59
5. Prosperity and security in a digital age	69
Conclusion	77

FOREWORD

by Theresa May

This election is the most important this country has faced in my lifetime. Our future prosperity, our place in the world, our standard of living, and the opportunities we want for our children – and our children’s children – all depend on getting the next five years right. If we fail, the consequences for Britain and for the economic security of ordinary, working people across this country will be significant. If we succeed, the opportunities ahead of us are great.

Now more than ever, Britain needs a strong and stable government to get the best deal for our country. Now more than ever, Britain needs strong and stable leadership to make the most of the opportunities Brexit brings.

I believe our United Kingdom can emerge from this period of great national change stronger and more prosperous than ever before. I believe we can be a country that stands tall in the world and provides leadership on some of the greatest challenges of our time. I believe we can – and must – take this opportunity to build a Great Meritocracy here in Britain.

The policies set out in the following pages will begin to build that stronger, fairer, more prosperous Britain. They do not offer a quick fix. People are rightly sceptical of politicians who claim to have easy answers to deeply complex problems. It is the responsibility of leaders to be straight with people about the challenges ahead and the hard work required to overcome them.

So this manifesto sets out a vision for Britain’s future – not just for the next five years, but beyond. It identifies the five giant challenges we face and what we will do to address them. In doing so, it offers a vision of the kind of country I want Britain to be.

A Britain in which every area is able to prosper, with a modern industrial strategy to spread opportunity across the whole United Kingdom. A Britain in which work pays, with a higher national living wage and proper rights and protections at work. A Britain in which the economy is strong to support world-class public services, with the most ambitious programme of investment in people, technology and buildings the NHS has ever seen; record – and fair – funding for schools; and the first ever proper plan to pay for – and provide – social care. And a Britain in which burning injustices are tackled and overcome, with the first new Mental Health Bill for thirty years to put parity of esteem at the heart of treatment and end the stigma of mental illness once and for all.

This is my plan for a stronger Britain and a prosperous future. It is a declaration of intent: a commitment to get to grips with the great challenges of our time and to take the big, difficult decisions that are right for Britain in the long-term.

None of this will be easy. It will require discipline and focus, effort and hard work. It will require leadership from a government that is strong enough to stand up for Britain, and stable enough to steer the country safely through the negotiations ahead.

Above all, it will require a unity of purpose stretching across this precious union of nations, from north to south and east to west. For as we embark on the momentous journey ahead of us over the next few years, our shared values, interests and ambitions can – and must – bring us together as a united country.

We can choose to say the task ahead is too great, to turn our face to the past and believe it cannot be done; or we can look forward with optimism, believing the best days for Britain lie ahead.

I choose to look forward: confident that we have the vision, the plan and the will to use this moment to build a better Britain. A stronger Britain where everyone has the economic security they need and the chance to live a secure and happy life. A fairer Britain that works for everyone, not just a privileged few.



Theresa May
Prime Minister

FOREWORD

by Ruth Davidson

This is one of the most important general elections of our lifetimes – the direction we take in the next few years will decide the future of Scotland and the whole United Kingdom for generations to come. This is a time to pull together, not apart.

Our manifesto shows how Scotland's two governments can work together to support families, communities and businesses across Scotland. It shows how we can deliver real reform of our education system to ensure every child has the best possible start in life. It shows how we can ensure a sustainable future for our health service and improve mental health treatment across Scotland. And it shows how we can build more houses and ensure no-one has to live in a hard to heat home.

But we know these are not the nationalists' priorities. Despite promising that the last independence referendum was 'once in a generation', Nicola Sturgeon wants to get up on June 9th to use this election result to drag Scotland back to more division and uncertainty.

That will damage Scotland's economy and will divert the Scottish Government from the day job – tackling the crisis in our schools and the NHS. We cannot allow this to happen.

So, at this election, a vote for the Scottish Conservative and Unionist Party can send the SNP a message. A vote for me and my group of candidates at this election is a vote that says we don't want their second referendum. It is a vote that says we want government in Scotland to get back to the day job. And it is a vote that will also help deliver the strong government we need at Westminster to see us through Brexit and beyond.

I know that in previous elections, many people voted for Labour or the Liberal Democrats to send this message to the SNP. But what is clear now, is that only a vote for the Scottish Conservatives really counts.

Theresa May and I have made it clear that now is not the time for another referendum. By contrast, Jeremy Corbyn has said he is 'absolutely fine' with the SNP's timetable.

And it is only the Scottish Conservatives which have the strength to take the SNP on. At the Holyrood elections last year, we became Scotland's main opposition party – depriving

the SNP of a majority. At the council elections this month, we brought the SNP to a halt – and stopped them gaining extra councillors. So the evidence is clear that it is only by voting for the Scottish Conservatives that we can really make our voice heard.

And if we do, then this election can be the moment Scotland turns a corner. Saying no to a second referendum means we can focus attention back onto the issues that really matter. It means we can focus on how best we create new jobs and build wealth for everyone. It means we can focus on turning round our schools after ten years of SNP failure. And it means we can focus on getting the best deal on Brexit for all of us, no matter where we live in the UK.

Our manifesto today sets out the Conservative vision for doing just that. Families who are trying to get by need support from government, and we need to reward the hard work they put in. So our manifesto sets out a fair tax regime to ensure middle earners keep more of their income.

Families have a right to expect that the state can provide their children with a world-class education. So our manifesto makes clear the changes we need to deliver that, after ten years of SNP failure.

And families want to know that when times are tough, the NHS and our social care system is there to support them. So our manifesto makes clear how best we can ensure the NHS is sustained for the long term.

At this election, in seats all over Scotland, the evidence is clear. Only by voting for the Scottish Conservatives can people take on the SNP – and say no to their referendum. Only by voting Scottish Conservative can we fight back against the SNP.

That way we can deliver on the things that matter. That way we can all go forward, together.

A handwritten signature in blue ink, reading 'Ruth Davidson'. The signature is fluid and cursive, with a large loop under the 'D' and a long horizontal stroke extending to the right.

Ruth Davidson

Leader of the Scottish Conservative & Unionist Party

FIVE GIANT CHALLENGES

Strong and stable leadership

Like generations before us, we are living through a time of profound national change. At such moments, our country requires strong and stable leadership that is capable of taking the right long-term decisions for the United Kingdom's future security and prosperity.

Since the EU referendum result last summer, that is what the UK government has delivered. Despite predictions of immediate financial and economic danger, we have seen confidence remain high, record numbers of jobs and economic growth that has exceeded all expectations.

A new Conservative government will stick to the plan that has delivered stability and certainty. Over and above this plan, we know that we need to take the right long-term decisions for our future security and prosperity. In doing so, we will make sure that Britain not only meets the challenges of the future but grasps the opportunities these challenges present.

Five giant challenges

This manifesto offers our vision for Britain not just for the next five years but for the years and decades beyond. It is a programme for government but it is also a declaration that we intend to achieve what few governments even attempt: we will take the big, sometimes difficult, long-term decisions that are right for our future and for future generations.

For at this moment of national change, we believe that Britain faces five giant challenges, each of which requires strong leadership, concerted effort and intelligent policy to address.

1. **The need for a strong economy.** We need to make the most of our existing strengths, invest in infrastructure and people, and ensure that the whole of our economy across the whole of our country can grow. Without a strong economy, we cannot guarantee our security, our personal prosperity, our public services, or contented and sustainable communities.
2. **Brexit and a changing world.** We need to deliver a smooth and orderly departure from the European Union and forge a deep and special partnership with our friends and allies across Europe. As there is increasingly little distinction between domestic and international affairs in matters of migration, national security and the economy, Britain must stay strong and united – and take a lead in the world to defend our interests.
3. **Enduring social divisions.** For too many people, where you end up in life is still determined by where you were born and to whom. We need to make sure that everyone

has the opportunity to make the most of their talents and hard work, whoever you are and wherever you are from.

4. **An ageing society.** We need to respond to the reality of an ageing society, giving people security in old age and caring for those with long-term health conditions, whilst making sure we are fair to younger generations.
5. **Fast-changing technology.** For the sake of our economy and our society, we need to harness the power of fast-changing technology, while ensuring that our security and personal privacy – and the welfare of children and younger people – are protected.

Governing from the mainstream

If we do not take decisions now to address these challenges, our country risks becoming weaker, poorer and less stable; but if we show leadership and grasp the opportunities that these giant challenges present, the UK can emerge from Brexit, look beyond it and launch into the future with confidence.

To do that, we will need to govern in the manner established by Theresa May since she became prime minister last year. We must reject the ideological templates provided by the socialist left and the libertarian right and instead embrace the mainstream view that recognises the good that government can do.

Rather than pursue an agenda based on a supposed centre ground defined and established by elites in Westminster, we will govern in the interests of the mainstream of the British public. We will get on with the job and take Britain out of the European Union. We will restore the public finances and maintain economic stability. We will reduce and control immigration. We will be resolute in defending the country from terrorism and other security threats.

We will also stand up to those in positions of power who abuse that privilege. We will run public services in accordance with their values as important local and national institutions. We will not only guarantee but enhance workers' rights and protections. And we will develop our ambitious modern industrial strategy to get the economy working for everyone, across the whole of our nation.

Under the strong and stable leadership of Theresa May, there will be no ideological crusades. The government's agenda will not be allowed to drift to the right. Our starting point is that we should take decisions on the basis of what works. And we will always be guided by what matters to the ordinary, working families of this nation.

We will govern in the interests of ordinary, working families

As Theresa May said when she first became prime minister, the work of the government under her leadership will be driven not for the benefit of a privileged few but by the interests of ordinary, working families: people who have a job but do not always have job

security; people who own their own home but worry about paying the mortgage; people who can just about manage but worry about the cost of living and getting their children into a good school.

These families have been ignored by politicians, and by others in positions of power, for too long. Yet they do not ask for much: they want to get on with their lives, to do their best for their children, to have a fair chance. Under Theresa May's leadership, they will no longer be ignored.

They are the people to whom this manifesto is dedicated. They are the people who work hard every day and make this country what it is. And they are the people who deserve strong and stable leadership from a government that is determined to address the five giant challenges we face – and make the right long-term decisions for the future of the United Kingdom.

We believe in the good that government can do

To do that, we will need a state that is strong and strategic, nimble and responsive to the needs of people. While it is never true that government has all the answers, government can and should be a force for good – and its power should be put squarely at the service of this country's working people.

If we are going to keep our economy strong as the world changes, we will need government to play an active role, leading a modern industrial strategy to make the most of Britain's strengths and take advantage of new opportunities – bringing secure, well-paid jobs to the whole of the country.

If we are going to make sure Britain emerges from Brexit as a strong and united nation, we will need strong leadership and good government: to get the right deal for Britain in Europe, to strike new trade deals around the world and to make sure our economy is strong for the years ahead.

If we want to overcome Britain's enduring social divisions, we will need to give people real opportunity and make Britain the world's Great Meritocracy. That will require government to take on long-ignored problems like Britain's lack of training and technical education, as well as long-lasting injustices, such as the lack of care for people with mental health problems, and the inequality of opportunity that endures on the basis of race, gender and class.

If we are going to cope with our ageing society and if we want to give security to people in old age while being fair to younger generations, we are going to need positive, active government that will deal with increased demand for social care, fund and improve our National Health Service and build more houses across the

country. We will need to take sometimes difficult decisions that ask more of one generation in order to help another.

If we are going to respond to rapid changes in technology, we need government to make Britain the best place in the world to set up and run modern businesses, bringing the jobs of the future to our country; but we also need government to create the right regulatory frameworks that will protect our security and personal privacy, and ensure the welfare of children and younger people in an age when so much of life is conducted online.

Government alone cannot solve every challenge our country faces. Without business and enterprise, there would be no prosperity and no public services. Without the obligations and duties of citizenship, society would not function. Without individual responsibility, nothing can be achieved. But for a country to remain stable, an economy to be strong, a society to stay healthy, we need a partnership between the individual and the wider nation, between private sector and public service, and the strong leadership only government can provide.

Our principles

We believe these things not despite the fact that we are Conservatives but because we are Conservatives.

Because Conservatism is not and never has been the philosophy described by caricaturists. We do not believe in untrammelled free markets. We reject the cult of selfish individualism. We abhor social division, injustice, unfairness and inequality. We see rigid dogma and ideology not just as needless but dangerous.

True Conservatism means a commitment to country and community; a belief not just in society but in the good that government can do; a respect for the local and national institutions that bind us together; an insight that change is inevitable and change can be good, but that change should be shaped, through strong leadership and clear principles, for the common good.

We know that our responsibility to one another is greater than the rights we hold as individuals. We know that we all have obligations to one another, because that is what community and nation demands. We understand that nobody, however powerful, has succeeded alone and that we all therefore have a debt to others. We respect the fact that society is a contract between the generations: a partnership between those who are living, those who have lived before us, and those who are yet to be born.

A vision of a stronger Britain and a prosperous future

If we allow ourselves to be directed by these principles, if we have strong and stable leadership, and if we address the five giant challenges faced by Britain, we believe that the future of our country is a bright one.

We are already the fifth largest economy in the world, the biggest recipient of foreign investment in Europe and the fastest growing economy in the G7. We have three of the world's top ten universities with another four in the top fifty and, despite forming less than one per cent of the global population, we boast more Nobel Laureates than any country other than America. We have the finest intelligence services and hugely respected armed forces that can project power around the globe. We have the greatest soft power of any nation, we sit in exactly the right time zone for global trade, our capital city is the global capital of finance and culture, and our language is the language of the world.

So there is no doubt that a country as great as ours can – with strong and stable leadership – rise to the giant challenges we face:

- to make sure our economy stays strong and to bring prosperity to the whole of our country;
- to emerge from Brexit a strong and united nation, able to take a lead in the world to defend Britain's interests;
- to overcome social divisions by giving people real opportunity and making Britain the world's Great Meritocracy;
- to restore the contract between the generations that provides security for older people while being fair to the young; and
- to seize the opportunities of changing technology, while ensuring that our security and personal privacy – and the welfare of children and younger people – are still protected.

Britain is a great nation. We have a glorious history but we believe that our best days lie ahead of us. With this plan to tackle the five giant challenges we face, with our proposals to establish a stronger Britain and a prosperous future, we will, as a nation, go forward, together.

1. A STRONG ECONOMY THAT WORKS FOR EVERYONE

Theresa May and the Scottish Conservatives will deliver

- A strong economy built on sound public finances, low taxes, better regulation and free trade deals with markets around the world.
- A new deal for ordinary, working people giving them a decent living wage and new rights and protections in the workplace.
- Fairer corporate governance, built on new rules for takeovers, executive pay and worker representation on company boards.
- Growth across the country through our modern industrial strategy and major investment in infrastructure, skills and research and development.
- Competitive and affordable energy costs following a new independent review into the cost of energy.
- Prosperous and empowered towns and cities, underpinned by strong local institutions.

A strong economy is the basis for everything we want to achieve as a nation. If we are to have the prosperity, security and quality of life that Britain desires, we need to have an economy that is vibrant and robust.

But our economy also needs to be equitable. For in Britain today, there is a division between those people and places that have benefited from a changed global market, where opportunity is displayed in affluence and a good quality of life; and those people and places that have experienced a struggling economy, where opportunity has receded and people worry about their children's futures.

This is not right. So we will forge an economy that works for everyone in every part of this country. We will found our plans on the principles of sound public finances, low taxes, free trade and effective regulation. We will set rules for businesses that inspire the confidence of workers and investors alike. That is only the foundation, however. With our modern industrial strategy, we will build an economy that invests for the long term and supports growth across the whole country – not just in those places that have done well in the past few decades but also where prosperity has waned. Governments cannot use public money to prop up failing businesses, but they also cannot allow people and their communities to be cast aside. It is our duty to bring opportunity to every part of the UK and to ensure that we all prosper together.

THE FOUNDATIONS OF A STRONG ECONOMY

Sound money and responsible public finances are the essential foundations of national economic success. A government that cannot manage its money properly cannot command confidence at home or with international investors. Firms and households cannot plan ahead if the government's thirst for their cash threatens higher taxes and cuts to vital services and investment; and when things spiral out of control, it is ordinary, working people who are hit hardest.

The Conservatives have laid these essential foundations. Ten years after the banking crisis, the deficit is back to where it was. The independent Office for Budget Responsibility forecasts that the national debt is finally about to start falling.

There is still work to do on deficit reduction, so we will continue to restore the public

finances over the course of the next parliament. We will continue with the fiscal rules announced by the chancellor in the autumn statement last year, which will guide us to a balanced budget by the middle of the next decade.

This is our foundation. The time has now come to focus on Britain's next big economic challenge: to foster growth that works for everyone, right across our country.

Keeping taxes as low as possible

Paying your fair share of tax is the price of living in a civilised democracy but politicians should never forget that taxes are levied on businesses that employ people, and individuals who work hard and face tough decisions about how they spend their money.

The Conservatives will always be the party that keeps tax as low as possible and spends the proceeds responsibly. It is our firm intention to reduce taxes on Britain's businesses and working families.

By 2020, we will, as promised, increase the personal allowance to £12,500 and press the Scottish Government to raise the threshold for the higher rate to £50,000, so that middle earners do not pay more tax for doing the same job as their friends and family in other parts of the UK. We will not increase the level of Value Added Tax.

Corporation Tax is due to fall to seventeen per cent by 2020 – the lowest rate of any developed economy – and we will stick to that plan, because it will help to bring huge investment and many thousands of jobs to the UK.

The Scottish Government today has control over a range of personal and business taxes, but instead of using these levers to attract taxpayers, it has made Scotland the highest taxed part of the United Kingdom, with higher income tax, business rates and property-buying taxes for many. Scottish Conservatives are clear – taxpayers in Scotland should not be asked to pay more income tax than their friends, family or colleagues in other parts of the UK.

The devolution of stamp duty to Scotland led to its replacement by the Land and Buildings Transaction Tax. The Scottish Government's reforms created a significant differential in middle and higher property bands compared to south of the border. This approach has clearly suppressed that section of the housing market, which has resulted in tax receipts falling short of estimates and LBTT forecasts in the long-term having to be revised downwards by almost £800 million. Scottish Conservative policy therefore remains to widen the 5 per cent band to £500,000.

On business taxation, we are concerned that the large business supplement makes Scotland a more expensive place to do business for many mid-sized firms. The SNP used

to recognise that business rates affect business behaviour, but has now abandoned its previous pledge to maintain rates parity between Scotland and the rest of the UK. This parity needs to be restored urgently. Deeper structural reform is also needed and we look forward to reading the recommendations of the Barclay Review, which was set up following pressure from the Scottish Conservatives to reform the rates system. A more responsive, simpler and more flexible business rates system should be the overarching outcome.

Air Passenger Duty is another tool that the Scottish Government has at its disposal today. The SNP supports a blanket 50 per cent cut across all bands, but Scottish Conservatives believe it is more important than ever to use this power to go global, so we can create new jobs, deliver more opportunities and build a stronger economy. That is why we have set out plans to abolish the long-haul rate of APD and freeze the short-haul rate. This would encourage more flight connections between Scotland and America, China and other global destinations to help boost exports, strengthen our international links as well as promoting Scotland as a more attractive and competitive tourist destination.

A good tax system is not just about the headline rates of tax, however, but about its simplicity. Our system remains too complicated, making it hard for people – especially self-employed people and small businesses – to assess their taxes. We will therefore simplify the tax system.

Increasing trade

Britain has always been a great trading nation. Trade will continue to be crucial to our future growth and prosperity. As we leave the European Union, we want to negotiate a new deep and special partnership with the EU, which will allow free trade between the UK and the EU's member states. As part of the agreement we strike, we want to make sure that there are as few barriers to trade and investment as possible. Leaving the European Union also means we will be free to strike our own trade agreements with countries outside the EU.

We will ensure immediate stability by lodging new UK schedules with the World Trade Organization, in alignment with EU schedules to which we are bound whilst still a member of the European Union. We will seek to replicate all existing EU free trade agreements and support the ratification of trade agreements entered into during our EU membership. We will continue to support the global multilateral rules-based trade system. We will introduce a Trade Bill in the next parliament.

We will create a network of Her Majesty's Trade Commissioners to head nine new regional overseas posts. These commissioners will lead export promotion, investment and trade policy overseas. We will reconvene the Board of Trade with a membership specifically charged with ensuring that we increase exports from Scotland, Wales and

Northern Ireland as well as England, and that trade policy is directly influenced by every part of our United Kingdom.

We will work to forge a new culture of exporting among UK businesses, equipping them with the tools and opportunities they need to succeed in the global marketplace, and take advantage of new high-growth markets around the world.

We will take a more active role in supporting British consortia to win the largest and most innovative contracts around the world. We will ensure that small and medium-sized businesses are able to identify the right markets and sectors to win vital contracts abroad. We will put UK Export Finance, which ensures that no viable UK export fails for lack of finance or insurance, at the heart of the UK's trade promotion proposition. And we will encourage the world to visit, study and do business in the UK through the GREAT Britain campaign and Visit Britain.

Effective regulation

Regulation is necessary for the proper ordering of any economy and to ensure that people – and their investments – are protected. However, poor and excessive government regulation limits growth for no good reason. So we will continue to regulate more efficiently, saving £9 billion through the Red Tape Challenge and the One-In-Two-Out Rule.

Reducing the cost of regulation is not just about reducing its volume. The wrong regulatory frameworks can over-reward investors for the risk they are taking in backing a particular project, meaning households and businesses can become systematically overcharged. We will therefore examine ways in which the regulation of utilities and transport infrastructure can be improved to deliver a better deal for customers and sharper incentives for investment efficiency.

NEW RULES FOR A CHANGING ECONOMY

Conservatives believe that if you value something, you must be prepared to reform it in order to conserve it. So it is today with our economy. Capitalism and free markets remain the best way to deliver prosperity and economic security, lifting millions of people out of poverty around the world. Markets need rules and these rules need to be updated to reflect our changing economy.

Guaranteeing a decent wage

We must first ensure that everyone is paid fairly for their work. It was a Conservative government that introduced the National Living Wage and as a result, people across

the United Kingdom now receive a minimum of £7.50 an hour. A new Conservative government will continue to increase the National Living Wage to 60 per cent of median earnings by 2020 and then by the rate of median earnings, so that people who are on the lowest pay benefit from the same improvements in earnings as higher paid workers.

Rights and protections in the ‘gig’ economy

In the modern economy many people choose jobs like driving, delivering and coding, that are highly flexible and can be mixed with other employment. This brings considerable advantages to millions of people but we should not ignore the challenges this kind of employment creates. These workers are officially classed as self-employed and therefore have fewer pension entitlements, reduced access to benefits, and no qualification for sick pay and holiday pay. Yet the nature of their work is different from the traditional self-employed worker who might be a sole trader, a freelancer or running their own business.

We will make sure that people working in the ‘gig’ economy are properly protected. Last October, the government commissioned Matthew Taylor, the chief executive of the Royal Society of Arts, to review the changing labour market. We await his final report but a new Conservative government will act to ensure that the interests of employees on traditional contracts, the self-employed and those people working in the ‘gig’ economy are all properly protected.

Stopping tax evasion

We have taken vigorous action against tax avoidance and evasion, closing the tax gap – the difference between the amount of tax due and the amount collected – to one of the lowest in the world.

We will now go further. We will legislate for tougher regulation of tax advisory firms. We will take a more proactive approach to transparency and misuse of trusts.

We will improve HMRC’s capabilities to stamp down on smuggling, including by improving our policing of the border as we leave the European Union. We will also take further measures to reduce online fraud in Value Added Tax.

Protecting private pensions

Millions of people in this country look forward to a more secure retirement because of their private pension. These pensions exist because employees have saved diligently through their life, often foregoing luxuries and holidays abroad. Those people did the right thing. Business owners who abuse pension funds and put them at risk, sometimes for their own lavish enrichment, are entirely in the wrong.

The current powers of regulators and the Pension Protection Fund are insufficient to ensure that pension savers, pensioners and prudent company directors are protected

from unscrupulous business owners. A Conservative government will act to tighten the rules against such abuse, and increase the punishment for those caught mismanaging pension schemes. We will build on existing powers to give pension schemes and the Pensions Regulator the right to scrutinise, clear with conditions or in extreme cases stop mergers, takeovers or large financial commitments that threaten the solvency of the scheme. We will also give the Pensions Regulator new powers to issue punitive fines for those found to have wilfully left a pension scheme under-resourced and, if necessary, powers similar to those already held by the Insolvency Service to disqualify the company directors in question.

Reforming rules on takeovers and mergers

Conservatives believe in the rights of business owners. We want to be a global nation that is competitive, outward-looking and open for business – the best country in Europe for doing business.

We welcome overseas investment and want investors to succeed here but not when success is driven by aggressive asset-stripping or tax avoidance. We will update the rules that govern mergers and takeovers. This will require careful deliberation but we can state now that we will require bidders to be clear about their intentions from the outset of the bid process; that all promises and undertakings made in the course of takeover bids can be legally enforced afterwards; and that the government can require a bid to be paused to allow greater scrutiny.

We shall also take action to protect our critical national infrastructure. We will ensure that foreign ownership of companies controlling important infrastructure does not undermine British security or essential services. We have already strengthened ministerial scrutiny and control in respect of civil nuclear power and will take a similarly robust approach across a limited range of other sectors, such as telecoms, defence and energy.

Fair corporate pay

We believe people should be rewarded for their talents and efforts but the public is rightly affronted by the remuneration of some corporate leaders. Senior corporate pay has risen far faster than corporate performance, and the gap between those paid most and those paid least has grown from 47:1 in 1998 to 128:1 in 2015.

The next Conservative government will legislate to make executive pay packages subject to strict annual votes by shareholders and listed companies will have to publish the ratio of executive pay to broader UK workforce pay. Companies will have to explain their pay policies, particularly complex incentive schemes, better. We will commission an examination of the use of share buybacks, with a view to ensuring these cannot be used artificially to hit performance targets and inflate executive pay.

Better corporate governance

The modern joint stock company is a British invention. It works because it is rules-based, but the rules need to change as the world changes.

Boards should take account of the interests not just of shareholders but employees, suppliers and the wider community. To ensure employees' interests are represented at board level, we will change the law to ensure that listed companies will be required either to nominate a director from the workforce, create a formal employee advisory council or assign specific responsibility for employee representation to a designated non-executive director. Subject to sensible safeguards, we will introduce, for employees, a right to request information relating to the future direction of the company.

These strengthened arrangements will apply to publicly-listed companies. We will consult on how we might strengthen the corporate governance of privately-owned businesses.

A MODERN INDUSTRIAL STRATEGY

Our modern industrial strategy is designed to deliver a stronger economy that works for everyone – where wealth and opportunity are spread across every community in the United Kingdom, not just the most prosperous places in London and the south east. It will help young people to develop the skills they need to do the high-paid, high-skilled jobs of the future. And it will back Britain for the long term: creating the conditions where successful businesses can emerge and grow, and helping them to invest in the future of our nation.

The strategy is not about picking winners, propping up failing industries, or bringing back old companies from the dead. It is about identifying the industries that are of strategic value to our economy and supporting and promoting them through policies on trade, tax, infrastructure, skills, training, and research and development – just the same as in every other major and growing economy in the world. It is about identifying the places that have the potential to contribute towards economic growth and become homes to millions of new jobs. And, because this is about meeting our economy's long term challenges, the industrial strategy will focus on creating the right institutional framework to make the strategy last for decades to come.

We will spend more on research and development, to turn brilliant discoveries into practical products and transform the world's industries – such as the batteries that will power a new generation of clean, efficient, electric vehicles. We will establish funding streams to ensure investment for the long term. We will remove the barriers that hold back small firms with

big potential – and let them compete when government itself is the buyer. We will build on the success of world-beating sectors such as car and aero manufacturing, financial services, life sciences, digital technology and our creative industries, and help other sectors develop the conditions which they need to thrive. We will ensure industry and businesses have access to reliable, cheap and clean power. We will deliver the infrastructure – the road, rail, airports and broadband – that businesses need.

Increasing innovation

Our long-term prosperity depends upon science, technology and innovation. The UK has an outstanding science base and many world-leading tech companies. We now need to go further. Our ambition is that the UK should be the most innovative country in the world.

At the last autumn statement, we announced a significant increase in government investment in research and development. We will deliver this and ensure further growth so that overall, as a nation, we meet the current OECD average for investment in R&D – that is, 2.4 per cent of GDP – within ten years, with a longer-term goal of three per cent. We will increase the number of scientists working in the UK and enable leading scientists from around the world to work here. We will work hard to ensure we have a regulatory environment that encourages innovation.

University investment funds

Our world-beating universities will lead the expansion of our R&D capacity. We must help them make a success of their discoveries – while they have a number of growing investment funds specialising in spin-outs, we have more to do to replicate the success of similar university funds in the United States.

To fix that, we will work to build up the investment funds of our universities across the UK. We want larger, aggregated funds to increase significantly the amounts invested in and by universities.

We want universities to enjoy the commercial fruits of their research, through funds that are large enough to list, thereby giving British investors a chance to share in their success.

National Productivity Investment Fund

If our modern industrial strategy is to succeed, it must address the UK's slow productivity growth and it must be funded properly from the start. So we have launched a new £23 billion National Productivity Investment Fund. The government will target this spending at areas that are critical for productivity: housing, research and development, economic infrastructure and skills. This will include £740 million of digital infrastructure investment, the largest investment in railways since Victorian times, £1.1 billion to improve local transport and £250 million in skills by the end of 2020. The National Productivity

Investment Fund will take total spending on housing, economic infrastructure and R&D to £170 billion during the next parliament.

Future Britain funds

People have long talked about the need to create UK sovereign wealth funds. We will now make this a central part of our long-term plan for Britain. We will create a number of such funds, known as Future Britain funds, which will hold in trust the investments of the British people, backing British infrastructure and the British economy. We anticipate early funds being created out of revenues from shale gas extraction, dormant assets, and the receipts of sale of some public assets. We will encourage pension funds with an interest in joining Future Britain funds to do so.

The skills we need

We want to see an increase in the availability of technical education and skills development across Scotland, but we must also address the immediate needs of those sectors of the economy suffering shortages in skills. We will make the immigration system work for these sectors, whilst ensuring that we develop the skills we need for the future.

We will therefore ask the independent Migration Advisory Committee to make recommendations to the government about how the visa system can become better aligned with our modern industrial strategy. We envisage that the committee's advice will allow us to set aside significant numbers of visas for workers in strategically-important sectors, such as digital technology, without adding to net migration as a whole.

However, skilled immigration should not be a way for government or business to avoid their obligations to improve the skills of the British workforce. So we will double the Immigration Skills Charge levied on companies employing migrant workers, to £2,000 a year by the end of the parliament, using the revenue generated to invest in higher level skills training for workers in the UK.

Backing small businesses

The Conservative Party is the party of enterprise and of the entrepreneur. We understand that small businesses are the wellspring of growth. They form a key part of British life, valued for their contribution to every community across the country. We will continue to support small businesses through business rate relief and low taxation, and by reducing the bureaucracy and regulation that prevents small businesses from flourishing.

As part of broader reforms to the business energy market, we will consult on how to extend our safeguard tariff cap to micro-businesses.

Central government must play a role in supporting SMEs: across all government departments, we will ensure that 33 per cent of central government purchasing will come from SMEs by

the end of the parliament. As part of our modern industrial strategy, we will explore how government can do even more to support innovation by small and start-up firms.

Supporting industries to succeed

Our modern industrial strategy is not about 'planning' the economy. It is about helping old industries find prosperous new life and unlock future opportunities, and new industries to grow.

Some industries have a great history. We believe they can have a great future too. We have already demonstrated that in advanced manufacturing, such as aero and automotive engineering, we can lead the world. We will continue to support these key industries so that they can grow further. We want to replicate that success in other sectors – like shipbuilding where, for the first time in decades, there is the prospect of a renaissance. We will take forward Sir John Parker's review of shipbuilding, helping our shipyards modernise and collaborate. We want to see shipbuilding growing on the Clyde and on the Forth, in Belfast and elsewhere.

Other industries, like the oil and gas sector, are transforming. The North Sea has provided more than £300 billion in tax revenue to the UK economy and supports thousands of highly skilled jobs across Britain. We will ensure that the sector continues to play a critical role in our economy and domestic energy supply, supporting further investment in the UK's natural resources. We will continue to support the industry and build on the unprecedented support already provided to the oil and gas sector. While there are very significant reserves still in the North Sea, it is expected to be the first major oil and gas basin in the world to decommission fully, and we will take advantage of that to support the development of a world-leading decommissioning industry. We will work with the industry to create a multi-use yard and the UK's first ultra-deep water port to support this industry.

Other industries are already highly successful. Life sciences, for example, employs 175,000 people and many of the world's top medicines have been developed in the UK. We will continue to support research into the diagnosis and treatment of rare cancers and other diseases. This, together with the development of stronger research links with the NHS, can help scientists and doctors design more effective and personalised treatments, and help maintain our position as the European hub for life sciences.

Competitive and affordable energy costs

A successful industrial strategy requires competitive and affordable energy costs. We want to make sure that the cost of energy in Britain is internationally competitive, both for businesses and households.

We will therefore commission an independent review into the Cost of Energy, which will

be asked to make recommendations as to how we can ensure UK energy costs are as low as possible, while ensuring a reliable supply and allowing us to meet our 2050 carbon reduction objective.

Our ambition is that the UK should have the lowest energy costs in Europe, both for households and businesses. So as we upgrade our energy infrastructure, we will do it in an affordable way, consistent with that ambition. And because for British companies, an energy-efficient business is a more competitive business, we will establish an industrial energy efficiency scheme to help large companies install measures to cut their energy use and their bills.

A diverse energy mix

We want to see a diverse range of sources for Britain's energy production, because a diverse energy economy is the best way to stimulate innovation, and also to ensure that we are getting the right generation in the right place. For instance, while we do not believe that more large-scale onshore wind power is right for Scotland, we will maintain our position as a global leader in offshore wind and support the development of wind projects in the remote islands of Scotland, where they will directly benefit local communities.

Above all, we believe that energy policy should be focused on outcomes rather than the means by which we reach our objectives. So, after we have left the European Union, we will form our energy policy based not on the way energy is generated but on the ends we desire – reliable and affordable energy, seizing the industrial opportunity that new technology presents and meeting our global commitments on climate change.

Natural gas from shale

The discovery and extraction of shale gas in the United States has been a revolution. Gas prices have fallen, driving growth in the American economy and pushing down prices for consumers. The US has become less reliant on imported foreign energy and is more secure as a result. And because shale is cleaner than coal, it can also help reduce carbon emissions. We believe that shale energy has the potential to do the same thing in Britain, and could play a crucial role in rebalancing our economy.

We will therefore support the shale industry in Scotland, including by using powers devolved in the 2016 Scotland Act. We will only be able to do so if we maintain public confidence in the process, if we uphold our rigorous environmental protections, and if we ensure the proceeds of the wealth generated by shale energy are shared with the communities supporting it.

Investing in transport

We are working through one of the largest-ever investment programmes in our roads and railways, putting some £40 billion into transport improvements across the United Kingdom over the rest of this decade.

We are investing to reduce travel time and cost, increase capacity and attract investment here in the UK. We will continue our programme of strategic national investments, including High Speed 2, Northern Powerhouse Rail and the expansion of Heathrow Airport – and we will ensure that these great projects do as much as possible to develop the skills and careers of British workers.

Investing in physical infrastructure across Scotland is crucial if we want to improve our economic performance. This does not just include roads and railways, but also digital infrastructure and investment in key assets across local areas. In transport more specifically, the state of local roads is often at the top of residents' concerns. At the Scottish Parliament, we will continue to support a Road Maintenance Fund, which would invite local authorities to bid for additional funding to fix degradation, such as potholes, much faster.

Local bus services are often a lifeline, especially for our rural areas. The UK Government's Bus Services Act has recently transferred greater powers over bus services to local authorities and city regions. Calls have been made in Scotland to explore further and clearer franchising powers and, even though there will be details such as cross-council use that need to be addressed, we do think such enabling powers should be made available to local authorities in Scotland.

Further powers over main bus services, however, will not give additional support to the many community transport providers who operate across Scotland. These services are invaluable for local residents, especially elderly people across our rural areas. Community and charity-run buses are often the only direct link to health care as well as friends, family or recreation. We will therefore continue to argue for an extension of the national concessionary travel scheme to community transport, alongside more capital funding support for vehicles as well as the installation of new ticketing machines across the range of vehicles used for community transport.

Alongside support for road transport, we recognise that active travel is the most affordable and, for many, accessible form of travel. Cycling and walking, tied to an active and healthy lifestyle, have clear benefits, not only for the environment, but also for people's physical and mental wellbeing. Governments across all levels – in co-operation with the voluntary and private sectors – should encourage active travel. This should mean investment in local walking and cycling paths, but also measures that join up other modes of transport. We believe government should aim to facilitate at least one segregated cycle route in each of Scotland's seven cities, linking from outer city limits through city centres. We have also highlighted concerns over cycle spaces on trains, where the promised expansion has seemingly stalled.

STRONGER COMMUNITIES FROM A STRONGER ECONOMY

Prosperous towns and cities across Scotland

Scotland's economic competition today is with the empowered and growing cities of the UK and beyond – cities like Manchester or Liverpool or Birmingham. If we want to reverse Scotland's economic underperformance, we will require a collaborative approach that involves all levels of government as well as the private and voluntary sectors. Scottish Conservatives believe that our local authorities – and our cities in particular – should become Scotland's engines of growth.

Where there is local support, Scottish Conservatives think there would be merit in directly elected provosts for cities, councils or regions in Scotland who could drive economic policy. Local Growth Partnerships and Growth Accelerators should be rolled out across Scotland, bringing together local business and civic leaders to provide vision and leadership for local areas. Modernising Business Improvement Districts and giving them more powers to shape their local areas would also ensure that businesses are at the heart of local decision-making.

The third sector should also be at the heart of inclusive economic growth. Many Scottish social enterprises have shown us how investing their profits back into communities through innovative projects can help close health inequalities or reduce reoffending. These are only some examples of how charities and other voluntary sector bodies often understand local communities better and why their input into policymaking is so essential.

The Conservative Government's City and Growth Deal programme has seen significant levels of investment unlocked across Scotland. In a collaborative approach it brings together the public, voluntary and private sectors, neighbouring local authorities and the Scottish and UK governments. We will explore ways to continue this work and commit to supporting further deals – in particular the impressive Borderlands Initiative which is bringing five cross-border councils together in pursuit of a growth deal.

Local authorities currently have only minimal powers over taxation and little financial incentives to attract personal or business taxpayers to their areas. We have been making the case for a fundamental review of the local funding formula for a while now and believe that any future system should include the full retention of business rates as well as residential and commercial Land and Buildings Transaction Tax in local areas. In addition to this, discretionary discount powers over business rates should be complemented by similar powers within LBTT.

This would not only incentivise local authorities to attract businesses, investors and homebuyers (as they would benefit from the tax payable), it would give them flexible tools to attract them too. This system will need to be underpinned by a new framework to govern the fiscal relationship between local and central government, mirroring Scotland's devolution settlement itself.

Our towns and cities excel when they have vibrant cultural life. The UK's arts and culture are world-beating and are at the heart of the regeneration of much of modern Britain. We will continue our strong support for the arts, and ensure more of that support is based outside London. We will support a UK city in making a bid to host the 2022 Commonwealth Games. And in this 70th Anniversary Year of the Edinburgh Festival we will support the development of the new Edinburgh Concert Hall, reaffirming Edinburgh as the UK's leading festival city and a cultural beacon around the globe.

Our countryside communities

We will bring sustainable growth to the rural economy and boost our rural areas, so that people who live in the countryside have the same opportunities as those who live in our towns and cities.

We have huge ambitions for our farming industry: we are determined to grow more, sell more and export more great British food. We want to provide stability to farmers as we leave the EU and set up new frameworks for supporting food production and stewardship of the countryside. So we will continue to commit the same cash total in funds for farm support until the end of the parliament. We will work with farmers, food producers and environmental experts across Britain and with the devolved administrations to devise a new agri-environment system, to be introduced in the following parliament.

We will also take steps to enhance the provision of public services in rural areas. We will safeguard the post office network, to protect existing rural services and work with the Post Office to extend the availability of business and banking services to families and small businesses in rural areas.

The Scottish Parliament's Wild Mammals (Scotland) Act 2002 has recently been reviewed and Lord Bonomy's report is a largely balanced attempt to provide greater accountability and clarity around the law, which we welcome. We have no plans to revisit the Act beyond these recommendations.

Our coastal communities

When we leave the European Union and its Common Fisheries Policy, we will be fully responsible for the access and management of the waters where we have historically exercised sovereign control. A new Conservative government will work with the fishing industry and with our world-class marine scientists, as well as the devolved

administrations, to introduce a new regime for commercial fishing that will preserve and increase fish stocks and help to ensure prosperity for a new generation of fishermen. To provide complete legal certainty to our neighbours and clarity during our negotiations with the European Union, we will withdraw from the London Fisheries Convention. We will continue our work to conserve the marine environment off the coast of the United Kingdom.

2. A STRONG AND UNITED NATION IN A CHANGING WORLD

Theresa May and the Scottish Conservatives will deliver

- A strong and stable Union, without the threat of a divisive Scottish referendum.
- The best possible deal for Britain as we leave the European Union delivered by a smooth, orderly Brexit.
- A United Kingdom Shared Prosperity Fund, taken from money coming back to the UK as we leave the EU, to reduce inequalities between communities across our four nations.
- Global leadership on development, backed by spending 0.7 per cent of our national income with new rules to spend it more effectively.
- Strong defence, meeting our NATO target of at least 2 per cent of GDP and increasing spending by at least half a per cent more than inflation every year.
- Security from crime and terrorism, backed by a new national infrastructure police force, a stronger response to white collar crime and our world-leading counter-terrorism strategy.

The United Kingdom is embarking upon another era in our centuries-old story. We are leaving the European Union. We want to ensure our departure is smooth and orderly and to agree a deep and special partnership with the 27 remaining member states.

In leaving the European Union, we have chosen a truly global role for Britain. To strike trade deals with old friends and new partners and take a leading position in the world to defend British interests, we must be strong and united.

This begins with our determination to defend the integrity of the United Kingdom and to strengthen the Union, bringing the peoples of the United Kingdom together.

OUR PRECIOUS UNION

We are a United Kingdom, one nation made of four – the most successful political union in modern history. Its very existence recognises the value of unity – Scotland, England, Northern Ireland and Wales achieve less as two, three, or four, than as the United Kingdom together. This unity between our nations and peoples gives us the strength to change things for the better, for everyone, with a scale of ambition we simply could not possess alone.

The settlement governing these islands has changed profoundly in the last twenty years. Significant decision-making have been devolved to the parliament in Scotland and assemblies in Wales and Northern Ireland. Devolved administrations in Edinburgh, Cardiff and Belfast exercise greater powers than equivalent governments elsewhere in the democratic world. In England, we have given considerable powers to city mayors and combined authorities, while local councils now have greater control of the taxes they collect.

This positive evolution of our constitution has given a voice to people who felt distant from the centre of power, and responsibility to people for their own part of our great country. We will continue to work in partnership with the Scottish and Welsh governments and the Northern Ireland Executive, in a relationship underpinned by pooling and sharing resources through the Barnett Formula. We will respect the devolution settlements: no decision-making that has been devolved will be taken back to Westminster. Indeed, we envisage that the powers of the devolved administrations will increase as we leave the EU. However, we can still do more for the people of Scotland, Wales and Northern Ireland.

The United Kingdom Government has in the past tended to 'devolve and forget'. This Conservative government will put that right. We want the UK Government to be a force

for good across the whole country.

So we will be an active government, in every part of the UK. We will work closely with the Northern Ireland Executive, the Scottish and Welsh governments, and the new devolved authorities in England, for the benefit of all our people – but that will not be the limit of our actions in the four nations. We are ambitious for everyone in Britain and will leave no-one behind in our efforts to spread opportunity and prosperity throughout the United Kingdom.

The Scottish Parliament has become the most powerful parliament of its kind in the world, with extensive powers over taxation and welfare. It was the Conservative and Unionist Party that delivered the 2012 and 2016 Scotland Acts, and only the Conservative and Unionist Party can deliver further powers and the best possible deal for Scotland as we leave the European Union.

The United Kingdom has voted to leave the European Union but some would disrupt our attempts to get the best deal for Scotland and the United Kingdom with calls for a divisive referendum that the people of Scotland do not want. We have been very clear that now is not the time for another referendum on independence. In order for a referendum to be fair, legal and decisive, it cannot take place until the Brexit process has played out and it should not take place unless there is public consent for it to happen. This is a time to pull together, not apart.

Scotland's economic growth has lagged behind the rest of the United Kingdom in recent years. The Scottish Government has the tools to drive economic growth in Scotland but we take seriously our duty to secure prosperity for the whole of the United Kingdom. We will, therefore, take concerted action to help secure the long-term sustainability of the Scottish economy. Scotland and Scottish industries will be central to our industrial strategy.

We will continue our investment in capital and infrastructure projects in Scotland. Building on the City and Growth deals we have signed across Scotland, we will bring forward a Borderlands Growth Deal, including all councils on both sides of the border, to help secure prosperity in southern Scotland. We will protect the interests of Scottish farmers and fishermen as we design our new UK farming and fisheries policy. And as we develop our new trade policies, we will pay particular attention to using the United Kingdom's muscle to promote Scottish exports around the world.

Shared institutions of Union

For too long, power in Britain has been centred in London. This means opportunity has centred in London too. It is time major cities around Britain shared in the government of the United Kingdom. For our civil service and major cultural bodies to claim to be UK

institutions, they need to represent and be present across our whole United Kingdom. It is also wrong that while some of our major cultural institutions have made efforts to gain a presence across the UK, others have not.

We will put this right. Starting with the UK Government's arm's-length bodies, we will start moving significant numbers of UK Government civil servants and other public servants out of London and the south-east to cities around the UK. We will ensure that senior posts move too, so that operational headquarters as well as administrative functions are centred not in London but around the UK. And we will do so in a way that encourages the development of new clusters of public services, private businesses and, where appropriate, universities.

We will proceed on the same basis with the arts and cultural organisations that give our United Kingdom such strength. Channel 4 will remain publicly owned and will be relocated out of London, and we will work with the nation's most eminent museums and galleries to ensure their works and expertise are shared across the country.

United Kingdom Shared Prosperity Fund

We believe in one nation – in helping every part of our country share in the prosperity and opportunity of our great United Kingdom. Yet there is much to do. Current EU-wide structural funding was designed to tackle disparities but it is expensive to administer and poorly targeted. As we leave the European Union, we must look at how we can better reduce and eliminate these inequalities.

We will use the structural fund money that comes back to the UK following Brexit to create a United Kingdom Shared Prosperity Fund, specifically designed to reduce inequalities between communities across our four nations. The money that is spent will help deliver sustainable, inclusive growth based on our modern industrial strategy. We will consult widely on the design of the fund, including with the devolved administrations, local authorities, businesses and public bodies. The UK Shared Prosperity Fund will be cheap to administer, low in bureaucracy and targeted where it is needed most.

LEAVING THE EUROPEAN UNION

Following the historic referendum on 23rd June 2016, the United Kingdom is leaving the European Union. Only the Conservative Party, under Theresa May's strong and stable leadership, can negotiate the best possible deal for our country. In her Lancaster House Speech, the prime minister laid out the twelve principles she intends to follow in seeking a new deep and special partnership with the European Union. We have explained our approach in the White Paper on the United Kingdom's Exit from, and a new relationship

with, the European Union, during the passage of the European Union (Notification of Withdrawal) Act, in the prime minister's letter to the president of the European Council invoking Article 50, and in the Great Repeal Bill White Paper.

We want to agree a deep and special partnership with the European Union. This partnership will benefit both the European Union and the United Kingdom: while we are leaving the European Union, we are not leaving Europe, and we want to remain committed partners and allies to our friends across the continent.

The negotiations will undoubtedly be tough, and there will be give and take on both sides, but we continue to believe that no deal is better than a bad deal for the UK. But we will enter the negotiations in a spirit of sincere cooperation and committed to getting the best deal for Britain. We will make sure we have certainty and clarity over our future, control of our own laws, and a more unified, strengthened United Kingdom. We will control immigration and secure the entitlements of EU nationals in the UK and UK nationals in the EU. We will maintain the Common Travel Area and maintain as frictionless a border as possible for people, goods and services between Northern Ireland and the Republic of Ireland. Workers' rights conferred on British citizens from our membership of the EU will remain. We will pursue free trade with European markets, and secure new trade agreements with other countries. We want to work together in the fight against crime and terrorism, collaborate in science and innovation – and secure a smooth, orderly Brexit. And we will protect the democratic freedom of the people of Gibraltar and our overseas territories to remain British, for as long as that is their wish. The final agreement will be subject to a vote in both houses of parliament.

As we leave the European Union, we will no longer be members of the single market or customs union but we will seek a deep and special partnership including a comprehensive free trade and customs agreement. There may be specific European programmes in which we might want to participate and if so, it will be reasonable that we make a contribution. We will determine a fair settlement of the UK's rights and obligations as a departing member state, in accordance with the law and in the spirit of the UK's continuing partnership with the EU. The principle, however, is clear: the days of Britain making vast annual contributions to the European Union will end.

We want fair, orderly negotiations, minimising disruption and giving as much certainty as possible – so both sides benefit. We believe it is necessary to agree the terms of our future partnership alongside our withdrawal, reaching agreement on both within the two years allowed by Article 50 of the Treaty on European Union.

Repatriating EU law to the United Kingdom

We will enact a Great Repeal Bill. Our laws will be made in London, Edinburgh, Cardiff and Belfast, and interpreted by judges across the United Kingdom, not in Luxembourg.

The bill will convert EU law into UK law, allowing businesses and individuals to go about life knowing that the rules have not changed overnight. This approach means that the rights of workers and protections given to consumers and the environment by EU law will continue to be available in UK law at the point at which we leave the EU. The bill will also create the necessary powers to correct the laws that do not operate appropriately once we have left the EU, so our legal system can continue to function correctly outside the EU. Once EU law has been converted into domestic law, parliament will be able to pass legislation to amend, repeal or improve any piece of EU law it chooses, as will the devolved legislatures, where they have the power to do so.

As powers return from the EU, we will be able to determine the level best placed to take decisions on these issues, ensuring that power sits closer to the people of the United Kingdom than ever before. We expect that the outcome will be a significant increase in the decision-making power of each devolved administration but we must also ensure that as we leave the EU no new barriers to living and doing business within our own union are created. In some areas, this will require common UK frameworks. We will work closely with the devolved administrations to deliver an approach that works for the whole of the United Kingdom and reflects the needs and individual circumstances of Scotland, Wales and Northern Ireland.

As well as the Great Repeal Bill, we will bring forward a number of additional bills to ensure that when we have left the EU there is a clear statutory basis for United Kingdom authorities to exercise powers that are currently exercised through EU law and institutions.

We will not bring the European Union's Charter of Fundamental Rights into UK law. We will not repeal or replace the Human Rights Act while the process of Brexit is underway but we will consider our human rights legal framework when the process of leaving the EU concludes. We will remain signatories to the European Convention on Human Rights for the duration of the next parliament.

GLOBAL BRITAIN

The United Kingdom is a global nation. Our history is a global history; our future must be global too. We believe Britain should play an active, leading role in the world. Not because it is our right or inheritance, but because our leadership in the world is the surest way to defend and advance the interests of the British people, and to extend around the world those values that we believe to be right.

The United Kingdom is already a global power. We have a leading diplomatic service

and one of the largest overseas development budgets in the world. Our armed forces are respected around the world and enable us to project power globally. Our global businesses and London's position as the global centre of finance make us more interconnected with the global economy than any other comparable nation.

Britain is already a significant influence for good around the world. Our aid is giving millions an education and an opportunity to rise out of poverty. Our naval vessels are stopping the vile trade in people and in drugs. We are at the forefront of action against global climate change.

We can and should do more, not just because acting as a force for good is an important end in itself but because the result will be greater peace and prosperity for the British people. We will continue to champion British values around the globe: freedom, democracy, tolerance and the rule of law. We will be the world's foremost champion of free trade. We will expand our global efforts to combat extremism, terror, and the perpetration of violence against people because of their faith, gender or sexuality. We will continue to lead international action against climate change, and the degradation of habitat and loss of species. We will continue to lead a global campaign for the education of women and girls, which is the key to progress in so many countries. We will lead the fight against modern slavery, just as we overcame the trade in slaves two hundred years ago. We will lead a global effort to close down online spaces for those who abuse children, incite violence or propagate hate speech. We shall lead the world in the hard work to end extreme child poverty and co-ordinate efforts against microbial resistance and emerging tropical diseases. And we will take up leadership in a new arena, where concern is shared around the world: we will be the global leader in the regulation of the use of personal data and the internet.

British leadership in international institutions

The security and prosperity of the United Kingdom is built on the international institutions that we helped to found and will continue to help maintain: the United Nations and the UN Security Council, NATO – the cornerstone of our defence, the Commonwealth, the G20, G7 and the World Trade Organization. We will continue to give strong support to an international order in which rules govern state conduct; in our own behaviour we will support this system and apply it in a principled way. We shall continue to seek to reform multilateral institutions, especially in the way they distribute development funds, so that money is used to greatest effect to protect and help the world's most vulnerable people.

Global partnerships and alliances

Alongside our proposed deep and special partnership with the European Union, we will maintain the historical, cultural and economic ties that link us to our old friends and allies around the globe. We will build upon our existing special relationship with the United States, and forge new economic and security partnerships that make us more

prosperous at home and more secure abroad. We will strengthen our close links with our Commonwealth allies, continuing our mission together to promote democratic values around the world and build on our existing economic relationships to further our common trading interests. We will develop alliances and co-operate more with old friends and new partners.

A global champion of free trade

The United Kingdom will be a global champion for an open economy, free trade, and the free flow of investment, ideas and information. Open and free trade is key to international prosperity, stability and security – it is an essential component of an economy that works for everyone. We believe the UK must seize the unique opportunities it has to forge a new set of trade and investment relationships around the world, building a global, outward-looking Britain.

Promoting British culture around the world

The United Kingdom is home to some of the finest cultural institutions in the world. We will continue to promote those institutions and ensure they have the resources they need to amplify Britain's voice on the world stage and as a global force for good. We will continue to promote democracy, the rule of law, property entitlements, a free and open media, and accountable institutions in countries and societies across the world.

We will place the BBC World Service and the British Council on a secure footing so they are able to promote the best of British values around the globe and build strong ties between our local communities and other countries.

Leading the world in development

British aid helps millions and is a powerful statement of Global Britain's place in the world. It protects our interests: by building a safer, healthier, more prosperous world, we can protect our own people from disease, conflict and instability. This is the right ambition for a country with a global outlook, so we will maintain the commitment to spend 0.7 per cent of our gross national income on assistance to developing nations and international emergencies.

We will continue to use our aid budget in alignment with the Sustainable Development Goals, to end extreme poverty, save children's lives, and provide an education for girls. We will work to end the subjugation and mutilation of women, to combat the brutal slave trade in fellow human beings and to prevent catastrophic environmental degradation. And we will continue to lead global efforts to tackle sexual violence in conflict.

British scientists and inventors have helped to address some of the greatest challenges facing the world's poorest people. A global Britain should aspire to do even more: we will significantly increase our funding of UK-led medical and technical research into the

biggest threats to global health and prosperity.

There are still ways that we can improve the way that taxpayers' money is used to help the world's most vulnerable people. We do not believe that international definitions of development assistance always help in determining how money should be spent, on whom and for what purpose. So we will work with like-minded countries to change the rules so that they are updated and better reflect the breadth of our assistance around the world. If that does not work, we will change the law to allow us to use a better of definition of development spending, while continuing to meet our 0.7 per cent target.

Reforming asylum

We will ensure Britain remains a place of sanctuary for refugees and asylum seekers. The existing system, however, is geared towards people who are young enough, fit enough, and have the resources to get to Britain, rather than those who are most in need of our help.

Wherever possible, the government will offer asylum and refuge to people in parts of the world affected by conflict and oppression, rather than to those who have made it to Britain. We will work to reduce asylum claims made in Britain and, as we do so, increase the number of people we help in the most troubled regions. We will continue to work with other countries in Europe, and the United Nations, to review the international legal definitions of asylum and refugee status.

We will make sure our councils get the help they need, and we will work with the devolved administrations and councils in devolved nations, to support people as they arrive, and establish schemes to help individuals, charities, faith groups, churches and businesses to provide housing and other assistance for refugees.

Protecting the environment

The United Kingdom will lead the world in environmental protection. As Conservatives, we are committed to leaving the environment in better condition than we inherited it. That is why we will continue to take a lead in global action against climate change, as the government demonstrated by ratifying the Paris Agreement. We were the first country to introduce a Climate Change Act, which Conservatives helped to frame, and we are halfway towards meeting our 2050 goal of reducing emissions by eighty per cent from 1990 levels. In Scotland, we have reached our interim target, as set out in the Climate Change (Scotland) Act, several years early.

We will champion greater conservation co-operation within international bodies, protecting rare species, the polar regions and international waters. We will work with our Overseas Territory governments to create a Blue Belt of marine protection in their precious waters, establishing the largest marine sanctuaries anywhere in the world.

We can no longer think of economic development as a competing force against environmental protection. Earlier this year, the Scottish Conservatives set out our approach to environmental policy in a comprehensive policy document. The paper included ambitious plans across seven key sections including the circular economy, biodiversity, energy, homes and transport. In it, we have argued for the setting up of new national parks, the introduction of a range of non-fiscal incentives for the use of electric vehicles, new urban consolidation hubs to reduce traffic emissions or further development of district heating networks. Our approach will provide a greener and more sustainable Scotland for us all. We set ourselves this task because we believe it is one of the greatest challenges of our times. It is for this generation to tackle the issue and ensure that the next will live in a better, more productive and more sustainable world.

Modern slavery

The UK is a global leader in fighting the evil trade in human beings – both around the world and in our own country – for sex and labour exploitation. As home secretary, Theresa May brought forward the Modern Slavery Act, the first of its kind in Europe, appointed the world's first anti-slavery commissioner and set up the Modern Slavery Taskforce to bring together the heads of MI5, MI6 and the National Crime Agency to co-ordinate our response to criminal gangs operating across the world. In Scotland, political parties have unanimously backed a new Human Trafficking and Exploitation (Scotland) Act.

We now need to go further. We need to focus on the exploitation of vulnerable men, women and children for their labour, people who are moved around our own country and between nations, as if they were not human at all. We will review the application of exploitation in the Modern Slavery Act to strengthen our ability to stop criminals putting men, women and children into criminal, dangerous and exploitative working conditions. And the UK will use its power to push the United Nations and other international bodies to make Modern slavery a thing of the past.

STRONG DEFENCE IN AN UNCERTAIN WORLD

Our world is full of opportunity but is also riven by conflict, terrorism and threat. As a global power, we have a responsibility to sustain our fine armed forces so that they can defend the realm, our overseas territories and our interests around the globe. We will play a leading role in NATO and maintain the ability to conduct strike operations, peacekeeping, security missions and the deployment of a joint expeditionary force. We will maintain the overall size of the armed forces, including an army that is capable of fielding a war-fighting division. We shall expand our reach around the world. We will retain the Trident continuous-at-sea nuclear deterrent to provide the ultimate guarantee of our security.

We have the biggest defence budget in Europe and the second largest in NATO. We will continue to meet the NATO commitment to spend at least 2 per cent of GDP on defence and we will increase the defence budget by at least 0.5 per cent above inflation in every year of the new parliament.

The finest servicemen and women

We will attract and retain the best men and women for our armed forces, including by engaging them on a flexible basis. We will protect our brave armed forces personnel from persistent legal claims, which distress those who risk their lives for us, cost the taxpayer millions and undermine the armed forces in the service they give. Under a Conservative government, British troops will in future be subject to the Law of Armed Conflict, which includes the Geneva Convention and UK Service Law, not the European Court of Human Rights. We will strengthen legal services regulation and restrict legal aid for unscrupulous law firms that issue vexatious legal claims against the armed forces. We will introduce better compensation for injured armed forces personnel and the families of those killed in combat.

The best equipment for our armed forces

We plan to invest £178 billion in new military equipment over the next decade, creating high-skilled jobs across the whole country. For the first time in a generation the Royal Navy is growing. We have cut steel on the first of a new fleet of four Dreadnought ballistic missile boats and we will complete the Astute class of hunter-killer submarines. Our two new aircraft carriers will project British military power for the next fifty years: HMS Queen Elizabeth begins sea trials in the summer and HMS Prince of Wales is due to enter active service in 2020. Alongside our new Type 45 destroyers, we will build eight Type 26 anti-submarine frigates and, in addition, develop our programme for a new class of lighter, general purpose frigates so that by the 2030s we can further increase the size of our fleet. We shall also deliver five Offshore Patrol Vessels.

For the Army we will deliver AJAX armoured vehicles, Apache attack helicopters, new drones, new missile and bomb systems, and better equipment for the Special Forces. The Royal Air Force will receive, with the Fleet Air Arm, the Lightning II strike fighter, as well as new Maritime Patrol Aircraft. Taken together, this is the largest programme of investment in our armed forces for generations.

Supporting our veterans

We will support former members of the armed forces, who were willing to risk their lives for us, as they move into civilian life. We will maintain and strengthen the Armed Forces Covenant. We will help veterans to start new careers by ensuring that the skills and qualifications they gained in service are recognised by civilian employers and by introducing a one year holiday on Employer National Insurance Contributions for firms hiring service personnel after they leave service.

THE HOME OF DEMOCRACY AND THE RULE OF LAW

This election will decide the composition of our parliament, the oldest of all large democracies. The laws that we make form the basis of judgments in our courts, which are respected around the world. This unequalled democracy and legal system is our greatest national inheritance. However, collective faith in our democratic institutions and our justice system has declined in the past two decades. It is the purpose of this Conservative Party, in responding to the historic vote on our membership of the European Union, to re-establish faith in our democracy, and in our democratic and legal institutions.

A flourishing and secure democracy

Our democratic institutions may be ancient but should not be neglected. We will continue to modernise and improve our electoral registration process, making it as accessible as possible so that every voice counts. We will legislate for votes for life for British overseas electors. We will continue with the current boundary review, enshrining the principle of equal seats, while reducing the number of MPs to 600, similar to other Western democratic chambers. We will retain the first past the post system of voting for parliamentary elections and extend this system to police and crime commissioner and mayoral elections. We will retain the current franchise to vote in parliamentary elections at eighteen. We will repeal the Fixed-term Parliaments Act.

The British public deserves to have confidence in our democracy. We will legislate to ensure that a form of identification must be presented before voting, to reform postal voting and to improve other aspects of the elections process to ensure that our elections are the most secure in the world. We will retain the traditional method of voting by pencil and paper, and tackle every aspect of electoral fraud.

Although comprehensive reform is not a priority we will ensure that the House of Lords continues to fulfil its constitutional role as a revising and scrutinising chamber which respects the primacy of the House of Commons. We have already undertaken reform to allow the retirement of peers and the expulsion of members for poor conduct and will continue to ensure the work of the House of Lords remains relevant and effective by addressing issues such as its size.

Celebrating public service

Our nation is made great by millions of people who work every day to serve the public. Public service is a noble vocation, one which we will celebrate. We want the most committed and capable people to come into public service, and for public services to be motors of social mobility – which is why we are looking at ways to make sure civil service recruitment is as diverse as possible, not only from the perspective of gender and race but social class too.

The UK government already funds schemes to get graduates from Britain's leading universities to serve in schools, police forces, prisons, and social care and mental health organisations. These programmes are now some of the UK's largest graduate employers, taking the brightest and best from our universities and using their talents to tackle entrenched social problems. We want to see more of this approach in Scotland too and will continue arguing for schemes like TeachFirst or new postgraduate bursaries to attract the best graduates into Scottish schools.

We know public services are dependent upon the public servants who run them, which is why we will establish in law the freedom for employees to mutualise, where appropriate, within the public sector. We will review the honours system to make sure it commands public confidence, rewards genuine public service and that recipients uphold the integrity of the honours bestowed.

Strengthening the police and security services

We will help Britain's world-leading police forces and prosecutorial services to fight crime, protect the public and provide security for businesses. We will create a national infrastructure police force, bringing together the Civil Nuclear Constabulary, the Ministry of Defence Police and the British Transport Police to improve the protection of critical infrastructure such as nuclear sites, railways and the strategic road network. We will strengthen Britain's response to white collar crime by incorporating the Serious Fraud Office into the National Crime Agency, improving intelligence sharing and bolstering the investigation of serious fraud, money laundering and financial crime. We will continue to invest in our world-leading security services and maintain and develop our counter-terrorism strategy to protect us from terrorism at home and abroad. And we will bolster the response to cyber threats on private businesses, public services, critical national infrastructure, and individuals, working with the National Cyber Security Centre to prevent attacks wherever possible and with the police and international law enforcement agencies to ensure perpetrators are brought to justice.

The creation of Police Scotland is one of the poorest examples of the centralising nature of the SNP Government. Concerns over the loss of local accountability in the new structure were expressed right from the beginning by the Scottish Conservatives and we could not support the plans put forward. In the years since its formation we have seen Police Scotland budgets under increasing pressures as well as controversies surrounding 'stop and search' powers and armed police deployment. A one-size-fits-all approach cannot work in our police service and we will continue to call for reform that puts local accountability at the heart of policing.

Breaking the cycle of reoffending

Scotland's levels of reoffending remain too high. While the justice system must ensure that it serves the purposes of punishment and deterrence, breaking the cycle of reoffending must be at the heart of our justice policy. We have continuously highlighted the lack of any meaningful activity within prisons. Prisoners' rehabilitation must begin before release and prisons therefore cannot simply house prisoners. Private and voluntary organisations should be invited to develop workshops, provide skills development and employment opportunities in addition to broader education programmes within prison walls, which can then be transferrable to better opportunities after release.

There are positive examples of charities and social enterprises working with prisoners during incarceration and continuing their work following release. We see merit in trying to roll out such an approach more widely, which could also be introduced on a payment-by-results basis. Voluntary sector partners would receive a part of their payment linked to successful outcomes in the form of lower rates of reoffending for their clients.

We do recognise that prisons are not suitable for all offending – community sentences can be preferable and more effective than short sentences. Community Payback Orders, however, need to be robust and should include a work element unless there are exceptional reasons for not doing so. For the worst of criminals, we believe that our judges should have a clear and straightforward way of imposing whole life sentences – life behind bars should be an option for punishment for the most heinous of crimes.

3. THE WORLD'S GREAT MERITOCRACY

Theresa May and the Scottish Conservatives will deliver

- Real reform of Scotland's education system to ensure every child has the best possible start in life.
- Skills training that is aligned with business demand.
- A government unafraid to confront the burning injustices of the gender pay gap, racial disparity, and disability discrimination.
- Action to tackle the stigma of mental health by both of Scotland's governments.
- Fairer markets for consumers and action on the cost of living, including a safeguard tariff cap to protect energy customers from unacceptable rises.
- Controlled, sustainable migration, with net migration down to the tens of thousands.

We have done much in recent years to break down longstanding divisions in our country. Yet some social injustices endure. If you are at a state school you are less likely to reach the top professions than if you are educated privately. If you are a white, working-class boy, you are less likely than anybody else in Britain to go to university. If you are born poor, you will die on average nine years earlier than others in the UK. If you are a woman, you will earn less than a man. If you suffer from mental health problems, there is not enough help at hand. These are burning injustices that damage the unity of our country, and we will address them.

The truth is that if we are to make Britain the world's Great Meritocracy, we also need to do much more to support millions of people who live in ordinary, working families. Because life is often much harder for these families than many in positions of power seem to realise. They might have a job, but not always job security; they might be homeowners, but they worry about paying the mortgage and wonder if their children will be able to afford a home of their own; they can just about manage, but worry about the cost of living and getting their children into a good school. They deserve a government that is on their side.

A COUNTRY FOUNDED ON MERIT

The greatest injustice in Britain today is that your life is still largely determined not by your efforts and talents but by where you come from, who your parents are and what schools you attend. This is wrong. We want to make Britain the world's Great Meritocracy: a country where everyone has a fair chance to go as far as their talent and their hard work will allow, where advantage is based on merit not privilege. To succeed, we must redouble our efforts to ensure that everyone, no matter who they are or where they are from, can have a world-class education.

In Scotland, the SNP's record on education over the last ten years speaks for itself: 4,000 fewer teachers, 152,000 college places cut, a lower percentage of students from deprived areas going to university in comparison with other parts of the UK, falling performance in international league tables and a persistent gap between the educational attainment of pupils from deprived and wealthy backgrounds. It is not a record of which to be proud.

The Scottish Conservatives believe that there must be radical change if Scotland's schools are to regain their international reputation. As such, we will continue to make the case for our educational system to be based on diversity, on full autonomy for our school leaders and on better literacy and numeracy.

School education

We recognise and celebrate the dedicated commitment of our teachers. However, without adequate investment to boost teacher numbers and provide them with the right support, they will continue to have their hands tied. This includes investment in additional support needs.

The Scottish Conservatives will continue to make the case for a range of reforms to the comprehensive one-size-fits-all model in Scotland. Diversity and choice, rather than uniformity, should be at the heart of the Scottish educational system, with a broader range of government-funded, but autonomous schools which are more responsive to parental demand. We support the pupil equity fund, but it is essential that there is full autonomy for head teachers to make the decision about how it is spent in their own school.

Whilst there is widespread support for the principles of the Curriculum for Excellence, its educational rationale is not sufficiently clear or well-defined, nor is its progress effectively measured. This has led to confusion and an excessive bureaucracy within its administration meaning that teachers have been unable to get on with the job they are trained to do. That is precisely why we have decided to review Curriculum for Excellence. Parents and teachers told us that core knowledge had lost out to the obsession with learning processes and meeting the vast numbers of 'outcomes and experiences'. The Scottish Conservatives believe that broad general education should be reset so that its main focus is on traditional subjects and on the necessary core knowledge which defines them.

Likewise, the qualification system should reflect this and ensure that there is no scope to diminish subject choice which is what worries many parents about the current arrangements. The National 4 qualification, which has been so heavily criticised because it does not adequately serve the needs of young people who will not pursue higher level qualifications, should be reformed. National 4 needs to be much more focused around the testing of basic skills and there must be a much better link-up with vocational training. Education Scotland should not be responsible for both curriculum development and for inspections; we would separate these functions and create a new independent inspectorate.

Further powers for our schools and school leaders have to be coupled with attracting the best teachers into our schools. We have long argued for new routes into teaching being introduced in Scotland, as well as further incentives to encourage new teachers. A Scottish version of TeachFirst and bursaries targeted at attracting the best graduates into priority subjects are two such measures. We must ensure that teachers with UK or equivalent international qualifications can be allowed to teach in Scottish schools without significant restrictions. We must also improve literacy and numeracy skills in teacher training and we will support new tests for trainee teachers to identify weaknesses and areas for improvement.

Further and higher education

The SNP's policy on further and higher education has been characterised by spending cuts and by attempts to interfere in the governance of both sectors. That is exactly why the Scottish Conservatives fiercely opposed the recent attempt by the SNP to scrap the board of the Scottish Funding Council.

With the Auditor General repeatedly warning about the future financial sustainability of both sectors, we will continue to argue for a much fairer balance between taxpayers and graduates when it comes to university funding, so that we can boost the income of the sector and ensure more money becomes available to support bursaries for poorer students.

We believe that the loss of 152,000 college places has been deeply damaging to our colleges and to the wider Scottish economy, most especially in terms of the loss of part-time places and the college opportunities afforded to single parents and women wanting to return to the workplace. We will make a strong commitment to improve college budgets and oppose any moves to undermine their autonomy.

Apprenticeships and skills meeting business demand

Linking our educational system to business demand should be a key aim for government. This applies to our schools, colleges and universities, but should also be reflected in broader skills policy. The Apprenticeship Levy, for example, presented an opportunity for the Scottish Government to move towards a more flexible apprenticeship and skills framework in Scotland – one led by businesses themselves. We will keep making the case for all Apprenticeship Levy funding to be ring-fenced for in-work training only and for it to be used to gradually expand the number of apprenticeship starts, and the provision of shorter training opportunities.

A Flexible Skills Fund, divided up by sector and corresponding to levy-paying businesses and their supply chains, would ensure that a range of qualifications beyond apprenticeships are supported by the government. Apprenticeship frameworks should also be expanded, with clearer business input and new incentives which would help close disparities between genders and ages, as well as help disabled people or care leavers access apprenticeships. We will also help all workers seeking to develop their skills in their existing jobs by introducing a new right to request leave for training for all employees and introduce further measures to help with employee retraining.

More people in work

We will continue to strive for full employment. We will continue to run the welfare system in accordance with our belief that work is the best route out of poverty, that work should always pay, and that the system should be fair both to the people in need of support and those who pay for it. We have no plans for further radical welfare reform in this parliament and will continue the rollout of Universal Credit, to ensure that it always pays to be in work.

We will also work to help those groups who have in the past found it difficult to get employment, by incentivising employers to take them on. So for businesses employing former wards of the care system, someone with a disability, those with chronic mental health problems, those who have committed a crime but who have repaid their debt to society, and those who have been unemployed for over a year, we will offer a holiday on their employers' National Insurance Contributions for a full year.

A COUNTRY THAT COMES TOGETHER

Controlling immigration

Britain is an open economy and a welcoming society and we will always ensure that our British businesses can recruit the brightest and best from around the world and Britain's world-class universities can attract international students. We also believe that immigration should be controlled and reduced, because when immigration is too fast and too high, it is difficult to build a cohesive society.

Thanks to Conservatives in government, there is now more control in the system. The nature of the immigration we have – more skilled workers and university students, less abuse and fewer unskilled migrants – better suits the national interest. But with annual net migration standing at 273,000, immigration to Britain is still too high. It is our objective to reduce immigration to sustainable levels, by which we mean annual net migration in the tens of thousands, rather than the hundreds of thousands we have seen over the last two decades.

Immigration will remain a reserved policy area. However, the Scottish Government has the ability to attract to Scotland more people from the rest of the UK, and a bigger share of the talented migrants who come to our country. They can do this by making Scotland a more attractive place to come to work. But they are failing to do so. This is bad for Scotland, which has a proud history of welcoming people from all over the world and valuing their contribution to our society. So we call on the Scottish Government to use its considerable powers to ensure Scotland remains an attractive place to choose to live and work, so we can attract talent from across the rest of the UK and a higher proportion of the talented migrants who come to the UK to Scotland.

We will continue to bear down on immigration from outside the European Union. We will increase the earnings thresholds for people wishing to sponsor migrants for family visas. We will toughen the visa requirements for students, to make sure that we maintain high standards. We will expect students to leave the country at the end of their course, unless they meet new, higher requirements that allow them to work in Britain after their studies have concluded. Overseas students will remain in the immigration statistics – in line with international definitions – and within scope of the government's policy to reduce annual net migration.

Leaving the European Union means, for the first time in decades, that we will be able to control immigration from the European Union too. We will therefore establish an immigration policy that allows us to reduce and control the number of people who come to Britain from the European Union, while still allowing us to attract the skilled workers our economy needs.

Integrating divided communities

Britain is one of the world's most successful multi-racial, multi-cultural, multi-religious societies. We are proud of our diversity, and the cultural and economic enrichment it brings.

The enjoyment and pride we take in our diversity should not cause us to ignore the fact that in too many parts of our country, we have communities that are divided, often along racial or religious lines. To address this, we will bring forward a new integration strategy, which will seek to help people in more isolated communities to engage with the wider world, help women in particular into the workplace, and teach more people to speak English.

Defeating extremism

Our enjoyment of Britain's diversity must not prevent us from confronting the menace of extremism. Extremism, especially Islamist extremism, strips some British people, especially women, of the freedoms they should enjoy, undermines the cohesion of our society and can fuel violence. To defeat extremism, we need to learn from how civil society and the state took on racism in the twentieth century. We will support the public sector and civil society in identifying extremists, countering their messages and promoting pluralistic, British values. And we will establish a Commission for Countering Extremism to identify examples of extremism and expose them, to support the public sector and civil society, and help the government to identify policies to defeat extremism and promote pluralistic values.

CONFRONTING BURNING INJUSTICES

To make Britain the world's Great Meritocracy, where your talent and hard work, not who you are or where you come from, determine your life chances, we must look beyond divisions in educational opportunity. We must tackle the burning injustices that Theresa May identified on the steps of Downing Street last year: longstanding, entrenched injustices that affect people of different ethnicities, genders and those with disabilities and mental ill health.

The gender pay gap

We will take measures to close the gender pay gap. We will require companies with more than 250 employees to publish more data on the pay gap between men and women. We shall continue to work for parity in the number of public appointments going to women,

and we shall push for an increase in the number of women sitting on boards of companies.

We will take steps to improve take-up of shared parental leave and help companies provide more flexible work environments that help mothers and fathers to share parenting. We want to help those who have been caring for a child or children for a number of years or supporting an elderly relative. For these people, returning to work can be daunting: things have moved on and people worry that their skills have been eroded. We will address this, providing parents and carers with the confidence to return to work when and how they wish. We will support companies to take on parents and carers returning to work after long periods of absence and back similar schemes in the public sector.

The race gap

Theresa May's first act as prime minister was to order an unprecedented audit of racial disparity across public services, to reveal the outcomes experienced by people of different ethnicities. That audit reports in July and a Conservative government will not hesitate to act on its findings, however uncomfortable they may be.

Alongside that assault on injustice, we will tackle those issues we already know about head on. We will strengthen the enforcement of equalities law – so that private landlords and businesses who deny people a service on the basis of ethnicity, religion or gender are properly investigated and prosecuted. In Scotland, we will support a national campaign to increase the number of Black, Asian and ethnic minority organ donors to cut the long waiting times for patients from those groups and save more lives. We will also ask large employers to publish information on the pay gap for people from different ethnic backgrounds.

The mental health gap

Scottish Conservatives have identified mental health as one of our priorities in the new Scottish parliamentary session. We were pleased to see some of our suggestions adopted by the Scottish Government, with some additional funding and the commitment to provide mental health support in each GP surgery and A&E departments twenty-four hours a day.

This, however, will not be enough. We need to see a much greater mental health focus in workplaces – across the public, private and voluntary sectors – with mental health champions across all levels of government, improved counselling provision across our schools, and significantly faster interventions for acute mental health problems. We will keep up the pressure on the Scottish Government to introduce Frank's Law and improve support for dementia sufferers under 65, as well as tackle social isolation in old age. We will make the UK the leading research and technology economy in the world for mental health, bringing together public, private and charitable investment.

We will transform how mental health is regarded in the workplace. We will amend health and safety regulations so that employers provide appropriate first aid training and needs-

assessment for mental health as they currently do for risks to physical health. We will also extend Equalities Act protections against discrimination to mental health conditions that are episodic and fluctuating. We will consider the findings of the Stevenson-Farmer Review into workplace mental health support, working with employers to encourage new products and incentives to improve the mental health and wellbeing support available to their employees.

The disability gap

We will build on the proud Conservative record in supporting those with disabilities, including the landmark 1995 Disability Discrimination Act. We want to see attitudes to disability shift as they have for race, gender and sexuality in recent years: it should be completely unacceptable for people with disabilities to be treated negatively.

We will get 1 million more people with disabilities into employment over the next ten years across the UK. We will harness the opportunities of flexible working and the digital economy to generate jobs for those whose disabilities make traditional work difficult. We will give employers the advice and support they need to hire and retain disabled people and those with health conditions. We will continue to ensure a sustainable welfare system, with help targeted at those who need it most. We will work with providers of everyday essential services, like energy and telecoms, to reduce the extra costs that disability can incur.

While much of the focus in Scotland in recent years has been on the taxation powers now devolved to the Scottish Parliament, the passing of the 2016 Scotland Act also means the Scottish Government can exercise significant powers in social security. Not only will it be entirely responsible for most disability benefits, it has the power to top up reserved benefits and, crucially, introduce any new benefits too. It gives all political parties unprecedented powers to design a distinct Scottish approach to social security if they so wish.

Scottish Conservatives have made initial suggestions on how these powers should be used as well a number of key principles we believe should be at the heart of the system. For example, our policy of aligning Carer's Allowance with Jobseeker's Allowance has now been adopted by the Scottish Government, although their timetable for this change is unclear. We will continue to work with parties to design a Scottish disability benefits system that allows the government to support the most vulnerable people in our society as best as possible. That should be the key feature of any future welfare system. It should also be flexible, responsive and personalised, putting first the claimants it is meant to support. We should seek to minimise any administrative complexity to make navigating the system easier but also to allow for the fast-tracking of support for people with a terminal illness.

CUTTING THE COST OF LIVING

Breaking down long-standing social divisions in our society means tackling everyday economic pressures that hold back ordinary, working families. Government can help with the cost of living by keeping tax as low as possible. As we set out in chapter one we want to reduce taxes on British businesses and working families. But government can also help by making consumer markets work more fairly, and in doing so reducing the cost of the essentials that families have no choice but to buy. These costs make up a much larger share of working class household budgets than those of better-off households.

Fair markets for consumers

Tackling living costs must mean making consumer markets work fairly. Markets should work for consumers, as well as producers – with competition keeping prices low and encouraging new product development. Poor information, complex pricing and exploitative behaviour prevents markets operating efficiently for the benefit of all.

As Conservatives, we believe in markets as the best means to bring about prosperity and innovation, but we should act firmly and fast when a market works against the interests of consumers. Since 2010, we have capped the cost of credit for expensive payday lenders and we will now go further to reform markets in the interests of consumers and reduce the cost of living.

A Conservative government will strengthen the hand of regulators. We will strengthen the powers of consumer enforcement bodies to order fines against companies breaking consumer law and deliver redress for wronged parties. We will explore how to give consumers a voice in the regulation of business. We will put the interest of vulnerable consumers first, including considering a duty on regulators to weigh up their needs. We will investigate how switching sites can better serve competition, including by providing shoppers with information about quality of service and complaints. We will strengthen the hand of online consumers. We will act to make terms and conditions clearer, and end the abusive use of subscription services, including by making it clearer when free trials come to an end.

We will also act in specific markets. We will make billing for telecoms customers fairer and easier to understand, including making clear when a mobile customer has paid off the price of their handset. We will consider a ban on companies cold calling people encouraging them to make false personal injury claims. We will take steps to tackle rogue private parking operators. We will reduce insurance costs for ordinary motorists by cracking down on exaggerated and fraudulent whiplash claims.

Fair energy markets

We will pay immediate attention to the retail energy market. Customers trust established brands and mistakenly assume their loyalty is rewarded. Energy suppliers have long operated a two-tier market, where those constantly checking for the best deal can do well but others are punished for inactivity with higher prices. Those hit worst are households with lower incomes, people with lower qualifications, people who rent their home and the elderly. A Conservative government will act in their interests.

First, we will ensure that smart meters will be offered to every household and business by the end of 2020, giving people control over their energy bills that they have not had before.

We will go further. We will introduce a safeguard tariff cap that will extend the price protection currently in place for some vulnerable customers to more customers on the poorest value tariffs. We will maintain the competitive element of the retail energy market by supporting initiatives to make the switching process easier and more reliable, but the safeguard tariff cap will protect customers who do not switch against abusive price increases.

Tackling fuel poverty through energy efficiency

Fuel poverty levels in Scotland, especially in rural areas, are of serious concern. Many of our elderly live in some of the least energy efficient homes and struggle to heat their homes properly. Investing in energy efficiency is the most straightforward way of tackling these unacceptable levels of fuel poverty. With clear knock-on effects on physical and mental health, it seems obvious to us that this should be a policy priority for all levels of government.

We have been making the case for an additional £1 billion to be invested in energy efficiency measures over the next five years, aiming to ensure no one has to live in a hard to heat home by the end of the next decade. We would do this through a truly national infrastructure project, bringing together all levels of government, the private and the third sectors, that would create thousands of jobs, with much of the benefit in some of the most remote parts of Scotland. In addition to direct capital investment, we should introduce a range of loans, LBTT and council tax discounts as well as greater regulatory control backed by incentives across all tenures.

4. A RESTORED CONTRACT BETWEEN THE GENERATIONS

Theresa May and the Scottish Conservatives will deliver

- Sound public finances, built on fiscal credibility and a balanced budget by the middle of the next decade.
- Guaranteed annual increases in the state pension through a new Double Lock to be introduced in 2020.
- Exceptional healthcare, whenever, wherever, delivered by an NHS with the money, buildings and people it needs.
- A shift in the balance of care into primary and community care, with an enhanced role for GPs and pharmacies.
- An ambitious housebuilding target for Scotland to build 100,000 homes over the next five years.
- High-quality and flexible childcare for working families.

No grandparent wants to see their grandchildren worse off than they were, yet that is precisely the fear many older people now have. No son or daughter wants to see their parents poorly cared for or their hard-earned assets whittled away, yet that is the reality for too many old people in care. We must admit that the solidarity that binds generations is under strain in our country.

We will restore the contract between the generations, providing older people with security against ill health while ensuring we maintain the promise of opportunity and prosperity for younger generations. That contract includes our National Health Service, which is founded on the principle that those who have should help those who do not. It is a system of solidarity to which we all contribute, not just to help us and our families when we are in need but to protect others in our community when they need help too. This is not just expediency: we do it because the support we give each other ties us together.

This solidarity is a Conservative principle, growing out of family, community and nation – all things that Conservatives believe in and work to conserve. At times, solidarity will require great generosity from one group to another – of younger working people to pay for the dignified old age of retired people, and of older people balancing what they receive with the needs of the younger generation.

Our United Kingdom can seize enormous opportunities but only if we make decisions for the long term. We trust the people of this country, who know that we face difficult choices – and demand the respect of politicians who should be honest about how those choices can be resolved.

DEALING WITH THE DEFICIT

The greatest impact a government can have on future generations is the amount it chooses to borrow to pay for current spending. Borrowing always means spending money you do not have; but government borrowing differs because the repayment falls to others – those who come later, including people not yet born. Conservatives believe in balancing the books and paying down debts – because it is wrong to pass to future generations a bill you cannot or will not pay yourself.

The next Conservative government will continue the difficult but necessary work of restoring our public finances while still ensuring that we are investing for the future. As we set out in chapter one, we will continue to aim for a balanced budget by the middle of

the next decade, in line with the fiscal rules announced by the chancellor in his autumn statement last year.

AN AGEING SOCIETY

People are living longer. This is a good thing, but we should not ignore the consequences. As our society ages, the costs of caring for older generations – pensions, pensioner benefits, health and social care – rise; and these are borne by working people through their taxes. As the relative number of younger people is falling, those costs increase, not just in total, but also for individuals. So if we are to give older people the dignity we owe them and younger people the opportunities they deserve, we face difficult decisions.

Guaranteed annual increases in the state pension

A decade ago, pensions were in crisis and poverty blighted the retirement of many older people. It was wrong and it has been a Conservative government that has helped to put it right. By introducing the Pensions Triple Lock and the new State Pension, we have lifted the incomes of millions of older people, reducing pensioner poverty to historically low levels. The Triple Lock has worked: it is now time to set pensions on an even course. So we will keep our promise to maintain the Triple Lock until 2020, and when it expires we will introduce a new Double Lock, meaning that pensions will rise in line with the earnings that pay for them, or in line with inflation – whichever is highest. We will also ensure that the state pension age reflects increases in life expectancy, while protecting each generation fairly.

The state pension is the basic building block for income in retirement. In addition to safeguarding the rising state pension, we will continue to support the successful expansion of auto-enrolled pensions, enabling more people to increase their retirement income with help from their employers and government; we will continue to extend auto-enrolment to small employers and make it available to the self-employed. We will promote long-term savings and pensions products, including the Lifetime ISA, to encourage and incentivise more people to make provision for long-term needs, including a house purchase and retirement.

We will also maintain all pensioner benefits in Scotland, including free bus passes and TV licences for the duration of this parliament. Social security devolution allows us to make different choices in Scotland and so we will protect universal Winter Fuel Payments for all older people and they will not be subject to means-testing. We will focus on ensuring that no pensioner has to live in a hard to heat home in Scotland by the end of the next decade through significant investment in energy efficiency.

OUR NATIONAL HEALTH SERVICE

Our National Health Service is the essence of solidarity in our United Kingdom – our commitment to each other, between young and old, those who have and those who do not, and the healthy and the sick.

The Conservative Party believes in the founding principles of the NHS. First, that the service should meet the needs of everyone, no matter who they are or where they live. Second, that care should be based on clinical need, not the ability to pay. Third, that care should be free at the point of use. As the NHS enters its eighth decade, the Scottish Conservatives will hold fast to these principles.

There is cross-party support for closer integration of health and social care, but concerns over the loss of accountability and underfunding are emerging. This needs addressing, particularly if we are to minimise delayed discharge. Closer co-operation with other sectors, such as housing associations, as well as better information sharing also need to be pursued to ensure people spend as little time as possible in a hospital environment. We also need to improve the care we give people at the end of life. Every person should receive attentive, high quality, compassionate care, so that their pain is eased, their spiritual needs met and their wishes for their closing weeks, days and hours respected. We will also ensure all families who lose a baby are given the bereavement support they need, including a new entitlement to child bereavement leave.

The money and people the NHS needs to shift the balance of care

All parties at the Scottish Parliament are committed to a publicly-funded NHS that is free at the point of use. However, this commitment has not always been met by action from the SNP. We know, for example, that the Scottish NHS budget has not risen as fast as the health budget down south in recent years. Scottish Conservatives have committed to increasing the NHS budget by whichever is highest: 2 per cent, inflation or Barnett consequential, ensuring that the NHS is put on a sustainable financial footing.

Whilst the NHS will always treat people in an emergency, no matter where they are from, we will recover the cost of medical treatment from people not resident in the UK. We will ensure that new NHS numbers are not issued to patients until their eligibility has been verified. And we will increase the Immigration Health Surcharge, to £600 for migrant workers and £450 for international students, to cover their use of the NHS. This remains competitive compared to the costs of health insurance paid by UK nationals working or studying overseas.

Additional funding for the NHS has to be coupled with structural reform in our health service. Scottish Conservatives are setting up an independent Advisory Board, bringing

together a range of policy experts and practising professionals, so we can draw on the best available evidence when formulating health policies with a long-term focus on creating a sustainable NHS. The Board's first task will be to carry out an assessment of the role of drugs, prescriptions and pharmacy services within the NHS. Drugs play an increasing role in out-of-hospital care and the Scottish Conservatives will therefore support free prescriptions. Our Advisory Board, however, will also examine the current use of so-called 'low value prescriptions', such as over-the-counter drugs currently available from GPs at a significant cost each year.

We believe that the balance of care has to be shifted from acute care into primary and community care, with an enhanced role for GPs and pharmacies. General practice is the crucial frontline to our health service and must be valued. It was our campaign that led to the Scottish Government announcing a funding pledge for general practice, ensuring that a higher percentage of health funding goes directly to primary care. We will continue to make the case for an expansion of the Minor Ailment Service to encourage patients to use pharmacies where there is no need to see a GP so we can alleviate pressure on waiting times.

We will make it a priority in our negotiations with the European Union that the 140,000 staff from EU countries can carry on making their vital contribution to our health and care system across the UK. We will legislate to reform and rationalise the current outdated system of professional regulation of healthcare professions, based on the advice of professional regulators, and ensure there is effective registration and regulation of those performing cosmetic interventions.

We want the NHS to become a better employer. We will strengthen the entitlement to flexible working to help those with caring responsibilities for young children or older relatives. We will act to reduce bullying rates in the NHS, which are far too high. We will take vigorous and immediate action against those who abuse or attack the people who work for and make our NHS.

Personal responsibility

In addition to government funding and reform, we need to inject an element of personal responsibility into the health system too. After all, we all need to take care of our NHS. It is staggering that over 20,000 people enter emergency departments drunk and incapable every year. Not only does this divert resources from more serious cases, it costs the NHS millions of pounds and lengthens waiting times. We would set up a network of Recovery Centres, taking referrals from ambulances and the police. Combining this with alcohol dependency support would also unlock additional benefits. Improvements in notifying patients of their upcoming appointments, making bookings and cancellations easier, as well as allowing GPs and health boards to fine for repeatedly missed appointments should also be a part of the solution.

Early intervention

Shifting resources to primary and community care should translate into a greater focus on early intervention. We all agree that sports participation and a healthy, active lifestyle should be encouraged, but it is the Scottish Conservatives who have led on the issue. The benefits of an active lifestyle and better physical literacy extend well beyond physical health, with clear benefits for mental health too. A range of solutions should be explored, from improved continual professional development for nursery and school teachers, through programmes for coaches and mentors, to significantly better access to school buildings and their facilities. A key theme has to be overcoming barriers to participation, which can be done through improved community transport or small sporting grants.

HOMES FOR ALL

Scottish house building levels today remain far behind pre-recession levels and the supply of housing is simply not meeting the demand for home ownership. Rather than focusing on one type of housing, Scottish Conservatives want to see an all-sector, all-tenure target to gradually return to pre-recession house completion levels of around 25,000 every year – a total of over 100,000 additional homes over the next five years. This will require a combination of policies, but priority areas for us are encouraging brownfield sites, offsite construction and self-build. However, we also believe that the issuing of building warrants and completion certificates has been too lax in the past and tougher regulations should be introduced.

Brownfield development should always be prioritised over greenfield development and that is why we have argued that councils should be allowed to impose a moratorium on greenfield applications at their discretion. To encourage development, brownfield land registers should be established and a presumption introduced to build on brownfield where housing is a major component of the planning application. The Scottish Government could also establish online portals, developer forums or workshops to help smaller builders.

The potential for growth in the number of self-builds in Scotland is significant. In many EU countries self-built homes account for a majority of all homes built, in contrast with around 10 per cent across the UK. Land supply and appropriate infrastructure are the two biggest impediments for the sector. That is why we think local authorities should develop serviced plots and make them available under plot passports without the need for planning permission. Councils could also mandate a percentage of large housing developments to be set aside as such serviced plots.

Planning system improvements

House building is inextricably linked to the planning system, which despite a series of reforms, remains plagued by significant delays in decision-making. It also does not command the confidence of local communities who have seen local decisions overturned centrally too many times. We therefore have two key objectives for Scotland's planning system: it should be locally-driven, with full confidence of local communities, and the speed of decision-making must be improved. We would, for example, limit planning appeals that can be made to central government if local decisions are made by committees in line with local development plans. The drawing up of these plans should also be improved, with the consultation process often criticised by local residents. Furthermore, the case for a limited third party right of appeal should be re-examined.

Increased planning fees should only be considered if they result in better performance of local planning departments. In fact, we should explore ways to link higher fees directly to the speed of decision-making. Local authorities should be allowed to levy planning fee supplements from developers in return for a guarantee of a faster decision. This should be coupled with full refunds if such a guarantee is broken.

Bringing empty properties back into use

In addition to new builds, however, we also need a concerted effort to bring the estimated 34,000 empty homes back into use. There is a role to play for better regulation here but we should improve advice and incentives for those who own long-term empty properties. Councillors have complained that Compulsory Purchase Orders are a blunt tool to use but we do recognise that in some cases, these should be available to councils to use as a matter of last resort and would want to see guidance on their use refreshed. Compulsory Sale Orders, which would trigger a sale on the open market once all other options are exhausted, should also be introduced. Currently a range of different grant and loan schemes exist to help bring empty properties up to scratch, but we believe these should be brought together under a new Help to Rebuild programme.

CHILDREN AND FAMILIES

The UK should be the best country in the world for children. We want to reduce levels of child poverty, and have high ambitions for the quality of childcare and children's health.

High-quality flexible childcare

Tackling the attainment gap requires a concerted effort from the earliest years of a child's life – be it through active play or reading and language development. Like all parties in Scotland, we support the extension of free childcare, but unlike other parties, we believe the expansion should initially focus on disadvantaged one and two-year-olds first and

foremost. This ensures that help is targeted at those who need it most.

In order to help parents balance childcare and work more effectively, we have long argued that childcare hours should be as flexible as possible. To do this we would introduce a system which allows parents to spend their entitlement as they choose.

Children's and young people's health

We believe government has a role to play in helping young people get the best possible start in life. We are seeing progress: smoking rates across the UK are now lower than France or Germany, drinking rates have fallen below the European average and teenage pregnancies are at record lows. We will continue to take action to reduce childhood obesity. We will promote efforts to reduce unhealthy ingredients and provide clearer food information for consumers, as our decision to leave the European Union will give us greater flexibility over the presentation of information on packaged food.

We understand the massively increased pressures on young people's mental health. We will take focused action to provide the support needed by children and young people. Half of all mental health conditions become established in people before the age of fourteen. So we will ensure better access to care for children and young people.

Research from the Scottish Youth Parliament suggests most young people do not know where and how to access mental health advice, information and support. We will expand mental health education in Scottish schools so that young people know what support is available. School inspection reports should also include what mental health services are being provided at each school and a similar inspection regime should apply for colleges and universities. We will also encourage schools, colleges and universities to appoint mental health champions for staff and pupils, and we also want to see all school pupils and students have access to counsellors.

5. PROSPERITY AND SECURITY IN A DIGITAL AGE

Theresa May and the Scottish Conservatives will deliver

- The world's most dynamic digital economy, giving digital businesses access to the investment, skills and talent they need to succeed.
- Protections for people's data online, backed by a new data protection law.
- Safety for children online, and new rights to require social media companies to delete information about young people as they turn eighteen.
- Digital government and public services, using data and digital technology to transform local services.
- New rules for the digital economy, underpinned by domestic regulation and international partnership.
- Security online, with unprecedented investment in cyber security and stronger cyber standards for government and public services.

The opportunities and threats arising from the advance of digital technology pose significant practical and philosophical challenges to people, communities and governments around the world. These new technologies provide us with new and faster ways to communicate, learn, travel, have fun and do business. They accelerate the pace of change – ushering in new norms in the space of years rather than decades; challenging our laws and regulations to keep pace.

The UK has always been at the forefront of such changes, from the earliest days of computing to the development of the World Wide Web. Today, we continue that tradition with our world-leading digital economy, boasting particular expertise in artificial intelligence, cyber security, gaming, FinTech, GovTech, and virtual reality. We are optimistic about the opportunities on offer in the digital age, but we understand these opportunities come with new challenges and threats – to our security, privacy, emotional wellbeing, mental health and the safety of our children. A Conservative government will respond to these challenges, to assure the British people of security and fairness in the new digital age, and to strengthen the UK's position as one of the world's leading digital economies.

A DIGITAL CHARTER

For hundreds of years, the United Kingdom has determined the rules and formed the environment where new ideas and new technologies prosper – from financial markets to the steam train to human embryology and the code of life itself. Our wealth and security as a nation is founded on our ability to shape the future not just for ourselves but for the world. Now we must do it again, to create the rules-based framework in which the new technologies can create prosperity and growth.

A Conservative government will develop a digital charter, working with industry and charities to establish a new framework that balances freedom with protection for users, and offers opportunities alongside obligations for businesses and platforms. This charter has two fundamental aims: that we will make Britain the best place to start and run a digital business; and that we will make Britain the safest place in the world to be online.

The best place for digital business

Britain's future prosperity will be built on our technical capability and creative flair. Through our modern industrial strategy and digital strategy, we will help digital companies at every stage of their growth. We will help innovators and startups, by

encouraging early stage investment and considering further incentives under our world-leading Enterprise Investment Scheme and Seed Enterprise Investment Scheme. We will help digital businesses to scale up and grow, with an ambition for many more to list here in the UK, and open new offices of the British Business Bank in Birmingham, Bristol, Cambridge, Edinburgh, Manchester and Newport, specialising in the local sector. As we set out in chapter one, we will ensure digital businesses have access to the best talent from overseas to compete with anywhere in the world. This will be complemented by at least one new institute of technology in the UK, dedicated to world-leading digital skills and developed and run in partnership with the tech industry. When we leave the European Union, we will fund the British Business Bank with the repatriated funds from the European Investment Fund.

We will ensure there is a sustainable business model for high-quality media online, to create a level playing field for our media and creative industries. We will help provide the skills and digital infrastructure that creative companies need and will seek to build upon the favourable tax arrangements that have helped them, including the highly successful creative industries tax credits scheme. We will ensure there is a robust system for protection of intellectual property when the UK has left the EU, with strong protections against infringement.

We will make doing business online easier for companies and consumers. We will give businesses the right to insist on a digital signature and the right to digital cancellation of contracts. We will oblige all digital companies to provide digital receipts, clearer terms and conditions when selling goods and services online and support new digital proofs of identification. We will give consumers the same protections in online markets as they have on the high street. For broadband customers, we will make broadband switching easier and pricing more transparent.

We will ensure that consumers and businesses have access to the digital infrastructure they need to succeed. By the end of this year, 19 out of 20 premises will have access to superfast broadband and our Universal Service Obligation will ensure that by 2020 every home and every business in Britain has access to high speed broadband. We will work to provide gigaspeed connectivity to as many businesses and homes as possible. We will introduce a full fibre connection voucher for companies across the country by 2018 and by 2022 we will have major fibre spines in over a hundred towns and cities, with ten million premises connected to full fibre and a clear path to national coverage over the next decade.

The rollout of digital infrastructure depends on both the UK and Scottish governments working in partnership with the private sector. Community-led solutions, however, can also be a useful addition to the mix, especially in rural areas waiting to be reached by the rollout. We will keep making the case for an extension of Community Broadband

Scotland to allow bids from individuals, businesses and the third sector in addition to communities.

We have similar ambitions for mobile phone coverage. By 2022 we will extend mobile coverage further to 95 per cent geographic coverage of the UK. By the same date, we want the Scottish and UK governments to ensure all major roads and main line trains will enjoy full and uninterrupted mobile phone signal, alongside guaranteed WiFi internet service on all such trains. We will continue to release more spectrum from public sector use to allow greater private sector access and begin the roll-out of a new 5G network, providing gigaspeed connection to your smart phone. We plan to have the majority of the population covered by a 5G signal by 2027.

The safest place to be online

In harnessing the digital revolution, we must take steps to protect the vulnerable and give people confidence to use the internet without fear of abuse, criminality or exposure to horrific content. Our starting point is that online rules should reflect those that govern our lives offline. It should be as unacceptable to bully online as it is in the playground, as difficult to groom a young child on the internet as it is in a community, as hard for children to access violent and degrading pornography online as it is in the high street, and as difficult to commit a crime digitally as it is physically.

Where technology can find a solution, we will pursue it. We will work with industry to introduce new protections for minors, from images of pornography, violence, and other age-inappropriate content not just on social media but in app stores and content sites as well. We will put a responsibility on industry not to direct users – even unintentionally – to hate speech, pornography, or other sources of harm. We will make clear the responsibility of platforms to enable the reporting of inappropriate, bullying, harmful or illegal content, with take-down on a comply-or-explain basis.

We will continue to push the internet companies to deliver on their commitments to develop technical tools to identify and remove terrorist propaganda, to help smaller companies build their capabilities and to provide support for civil society organisations to promote alternative and counter-narratives. In addition, we do not believe that there should be a safe space for terrorists to be able to communicate online and will work to prevent them from having this capability.

We will educate today's young people in the harms of the internet and how best to combat them, introducing comprehensive Relationships and Sex Education in all primary and secondary schools to ensure that children learn about the risks of the internet, including cyberbullying and online grooming.

Where we believe people need more protections to keep them safe, we will act to protect

them. We will give people new rights to ensure they are in control of their own data, including the ability to require major social media platforms to delete information held about them at the age of 18, the ability to access and export personal data, and an expectation that personal data held should be stored in a secure way. To create a sound ethical framework for how data is used, we will institute an expert Data Use and Ethics Commission to advise regulators and parliament on the nature of data use and how best to prevent its abuse. The Commission will help us to develop the principles and rules that will give people confidence that their data is being handled properly. Alongside this commission, we will bring forward a new data protection law, fit for our new data age, to ensure the very best standards for the safe, flexible and dynamic use of data and enshrining our global leadership in the ethical and proportionate regulation of data.

We will continue with our £1.9 billion investment in cyber security and build on the successful establishment of the National Cyber Security Centre through our world-leading cyber security strategy. We will make sure that our public services, businesses, charities and individual users are protected from cyber risks. We will further strengthen cyber security standards for government and public services, requiring all public services to follow the most up to date cyber security techniques appropriate.

A free media

At a time when the internet is changing the way people obtain their news, we also need to take steps to protect the reliability and objectivity of information that is essential to our democracy and a free and independent press. We will ensure content creators are appropriately rewarded for the content they make available online. We will be consistent in our approach to regulation of online and offline media. Given the comprehensive nature of the first stage of the Leveson Inquiry and given the lengthy investigations by the police and Crown Prosecution Service into alleged wrongdoing, we will not proceed with the second stage of the Leveson Inquiry into the culture, practices and ethics of the press. We will repeal Section 40 of the Crime and Courts Act 2014, which, if enacted, would force media organisations to become members of a flawed regulatory system or risk having to pay the legal costs of both sides in libel and privacy cases, even if they win.

DIGITAL GOVERNMENT AND PUBLIC SERVICES

We believe government should not only be exceptional in dealing digitally with the people it serves but should also at the forefront of using digital technology in all its systems so that it can deliver better public services.

We will therefore create a new presumption of digital government services by default

and an expectation that all government services are fully accessible online, with assisted digital support available for all public sector websites for which the UK Government are responsible. We will publish far more information about public services online. We will incubate more digital services within government and introduce digital transformation fellowships, so that hundreds of leaders from the world of tech can come into government to help deliver better public services. We will continue the drive for open data, maintaining our position as the world leader.

If we are to make full use of this opportunity, we must use common platforms across government and the wider public sector. That must start with the way we identify ourselves online, so that people have one single, common and safe way of verifying themselves to all parts of government. That is why we shall roll out Verify, so that people can identify themselves on all government online services by 2020, using their own secure data that is not held by government. We will also make this platform more widely available, so that people can safely verify their identify to access non-government services such as banking. We will set out a strategy to rationalise the use of personal data within government, reducing data duplication across all systems, so that we automatically comply with the 'Once-Only' principle in central government services by 2022 and wider public services by 2025.

Digital infrastructure

Digital technology will also transform the management of our national infrastructure. We are leading the world in preparing for autonomous vehicles and will press ahead with our plans to use digital technology to improve our railways, so that our roads and tracks can carry more people, faster, more safely and more efficiently. Smart grids will make the most efficient use of our electricity infrastructure and electric vehicles, and we will use technology to manage our airspace better to reduce noise pollution and improve capacity. We will step up our programme of support for businesses developing these new technologies, creating a better environment for them to be tested in the UK.

Digital land

And we will use digital technology to release massive value from our land that currently is simply not realised, introducing greater specialisation in the property development industry and far greater transparency for buyers. To make this happen, we will combine the relevant parts of HM Land Registry, Ordnance Survey, the Valuation Office Agency, the Hydrographic Office and Geological Survey to create a comprehensive geospatial data body within government, the largest repository of open land data in the world. This new body will set the standards to digitise the planning process and help create the most comprehensive digital map of Britain to date in co-operation with Scottish agencies. In doing so, it will support a vibrant and innovative digital economy, ranging from innovative tools to help people and developers build to virtual mapping of Britain for use in video games and virtual reality.

A FRAMEWORK FOR DATA AND THE DIGITAL ECONOMY

Some people say that it is not for government to regulate when it comes to technology and the internet. We disagree. While we cannot create this framework alone, it is for government, not private companies, to protect the security of people and ensure the fairness of the rules by which people and businesses abide. Nor do we agree that the risks of such an approach outweigh the potential benefits. It is in the interests of stable markets that consumers are protected from abusive behaviour, that money is able to flow freely and securely, and that competition between businesses takes place on a level playing field. It is in no-one's interest for the foundations of strong societies and stable democracies – the rule of law, privacy and security – to be undermined.

So we will establish a regulatory framework in law to underpin our digital charter and to ensure that digital companies, social media platforms and content providers abide by these principles. We will introduce a sanctions regime to ensure compliance, giving regulators the ability to fine or prosecute those companies that fail in their legal duties, and to order the removal of content where it clearly breaches UK law. We will also create a power in law for government to introduce an industry-wide levy from social media companies and communication service providers to support awareness and preventative activity to counter internet harms, just as is already the case with the gambling industry.

Just as we led the world in regulating embryology thirty years ago, we know that if we create the right system of governance for the digital economy and use of data, we will attract the right businesses who want to become the global centre for data use and research.

An international settlement

These are questions with which every nation is grappling. The internet is a global network and it is only by concerted global action that we can make true progress.

We believe that the United Kingdom can lead the world in providing answers. So we will open discussions with the leading tech companies and other like-minded democracies about the global rules of the digital economy, to develop an international legal framework that we have for so long benefited from in other areas like banking and trade. We recognise the complexity of this task and that this will be the beginning of a process, but it is a task which we believe is necessary and which we intend to lead.

By doing these things – a digital charter, a framework for data ethics, and a new international agreement – we will put our great country at the head of this new revolution; we will choose how technology forms our future; and we will demonstrate, even in the face of unprecedented change, the good that government can do.

CONCLUSION

This is our plan for a stronger Scotland, a stronger Britain and a prosperous future. This is our vision of a nation united, of shared opportunity, of safe, vibrant and sustainable communities and of a Great Meritocracy, where everyone, in every part of our country, is given the chance to go wherever their talents will take them. In this period of profound national change, we will only achieve our ambitions if we have the strong and stable leadership our national interest demands. With Theresa May and her team, we will secure the best possible deal with the European Union and chart a course to a new global future. Now is the time that we must show, once again, our strength as a nation and the character of our united people. We shall succeed, if we go forward, together.



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