



Fake change

The Liberal Democrat response
to the Conservative manifesto



change that works **for you**

BUILDING A FAIRER BRITAIN

The Conservatives' fake change

FOREWORD

The Conservative Party manifesto is big on pictures but small on policy.

There is simply no beef.

Where are the costings? Where is the detail? Why should anyone trust the Conservatives when they spell out less in their manifesto than they did in their draft?

David Cameron's depressing reflection of Britain, where "our social fabric is frayed" and there is "a mood afoot that the decline is inevitable", simply reflects his lack of vision.

He wants to bring in the Californian system of government that has left that state almost bankrupt. And there is a massive black hole at the centre of the Conservative manifesto. The party has simply hidden the inevitable raise in VAT its policies will force in.

When the Tories say we're all in this together, what they really mean is you're on your own. Their agenda is to take away help from those who need it and offer it to those already at the top.

This is not a party that will build a fairer Britain. Only the Liberal Democrats will bring the change that works for you, radically rebalancing our tax system, fixing our broken politics, making our education system fairer and building a better economy.

By producing an insubstantial manifesto, padded with pictures but devoid of detail, the Conservatives are not being honest. They simply cannot be trusted.

ANALYSIS

From flip-flop to unfairness, to policies that simply do not go far enough, the Conservative Party has produced a manifesto full of fake change.

Spending pledges are not spelled-out, commitments have been buried or dropped, while many other proposals have simply been stolen from the Liberal Democrats.

Over the following pages we detail where the Conservatives have failed to justify their promises, and why they should not be trusted with the keys to government.

ECONOMY

WHAT'S MISSING...? The Conservatives will have to raise VAT to fund their tax cut proposals. They offer no real source of funding for cutting part of the National Insurance rise, for funding their married couple's allowance, freezing council tax and inheritance tax cuts. They have form on raising VAT, increasing the rate from 8% to 15% in 1979 and then raising it again to 17.5% in 1991. In 1993 they also imposed VAT on domestic fuel for the first time at a rate of 8%.

TORY CLAIM: We will safeguard Britain's credit rating with a credible plan to eliminate the bulk of the structural deficit over a Parliament.

VERDICT: *Does not go far enough.* The manifesto calls for a credible plan to tackle the deficit but they have put forward proposals that barely amount to a drop in the ocean of this year's deficit. Political parties have a responsibility to be honest with the electorate about where cuts will come. The Conservatives have failed to be straight with the electorate.

TORY CLAIM: We need to change the way we regulate our banks to stop a crisis on this scale ever happening again

VERDICT: *Does not go far enough.* The Conservatives' proposals amount to badly thought out juggling of the regulatory framework that will absorb a vast amount of time and energy. It tells us nothing about the future direction of financial regulation. The only way we can ensure that the banks can't hold a gun to the head of the rest of the economy is to follow the advice of the Governor of the Bank of England and break up the banks between high risk investment banking and low risk retail banking.

TORY CLAIM: We have made a pledge to pensioners to re-link the basic state pension to earnings.

VERDICT: *Does not go far enough.* The Conservatives broke the link between the annual increase in the basic state pension and average earnings in the 1980s and never reversed it. They have consistently refused to say when they will reinstate it.

TORY CLAIM: We will reduce youth unemployment and reduce the number of children in workless households as part of our strategy for tackling poverty and inequality.

VERDICT: *Does not go far enough.* They will refer unemployed young people on to their work programme after six months, this is far too long, it needs to be half that. The Conservatives' plans take no account of the fact that only the well-off can afford to complete internships or extra learning.

TORY CLAIM: We will raise the inheritance tax threshold to £1m to help millions of people who aspire to pass something on to their children.

VERDICT: *Unfair.* The Conservatives want to give tax breaks of over £200,000 to the 3,000 richest estates but offer nothing to ordinary families struggling day to day. What the country really needs is tax breaks for low and middle income earners through raising the personal allowance to £10,000.

EUROPE

TORY CLAIM: Introduce a United Kingdom Sovereignty Bill to make it clear that ultimate authority stays in this country, in our Parliament.

VERDICT: *Fake change.* Before he re-joined David Cameron's Shadow Cabinet Ken Clarke described this proposal as "a recipe for anarchy". He says the European Union could not possibly work without its law taking priority over UK law in certain areas. Clarke has warned that such a Bill "would be fundamentally incompatible with our continued membership of the Union, and would be taken as an immediate signal of our withdrawal from full membership".

TORY CLAIM: Renegotiate the Charter of Fundamental Rights, criminal justice, and social and employment legislation to return powers. The Conservatives are seeking a public mandate to negotiate the return of these powers from the EU to the UK.

VERDICT: *Fake change.* There is no appetite among the 26 other EU member states to open up negotiations on a new treaty to satisfy Conservative Eurosceptics. By provoking unnecessary confrontation with European partners the Conservatives will leave Britain weak and isolated, and prevent progress on important issues like developing the single market and tackling climate change. By excluding Britain from measures to catch criminals, the Conservatives will make Britain less safe.

CRIME AND IMMIGRATION

TORY CLAIM: Allow councils and the police to shut down permanently any shop or bar found persistently selling alcohol to children.

VERDICT: *Does not go far enough.* Councils already have powers to remove the licences of shops or bars found persistently selling alcohol to children. There should be a 'one strike and you are out' policy on the sale of alcohol to children.

TORY CLAIM: Raise taxes on those drinks linked to anti-social drinking, while abolishing Labour's new 'cider tax' on ordinary drinkers.

VERDICT: *Unfair.* Tax increases are a very blunt instrument for trying to reduce antisocial drinking.

TORY CLAIM: Permit local councils to charge more for late-night licences to pay for additional policing.

VERDICT: *Longstanding Liberal Democrat policy.* In 2008 the Liberal Democrats called for local councils to be given the power to vary the fees imposed on a licence so that problem premises are forced to contribute to the costs of policing.

TORY CLAIM: We will make it clear that anyone convicted of a knife crime can expect to face a prison sentence.

VERDICT: *Unfair.* Those who use or threaten people with knives should expect to go to prison. Those who carry knives should expect to be punished. But hundreds of thousands of teenagers admitted to carrying a knife last year, many out of fear or coercion. Incarcerating every single person who carries a knife would cost billions of pounds a year, require a huge increase in the prison population and turn the young thugs of today into the hardened criminals of tomorrow. Prison is appropriate for many knife carriers but some are best dealt with by firm community punishments.

TORY CLAIM: We will implement the Prisoners' Earnings Act 1996 to allow deductions from the earnings of prisoners in properly paid work to be paid into the Victims' Fund.

VERDICT: *Longstanding Liberal Democrat policy.* The Liberal Democrats proposed a Victims Compensation Fund, paid out of prisoners' wages, in 2002.

TORY CLAIM: A Conservative government will reduce the amount of paperwork that the police have to deal with, starting by scrapping the stop form entirely.

VERDICT: *Fake change.* The stop and account form has already been scrapped and the stop and search form already slimmed down.

TORY CLAIM: We will replace the existing, invisible and unaccountable police authorities and make the police accountable to a directly-elected individual who will set policing priorities for local communities.

VERDICT: *Unfair.* This policy places total power over a police force in the hands of a single individual. It is a disastrous recipe for populism, extremism and politicisation of the police service. A single individual cannot represent the views of a community's many diverse views and needs and will have no gender or ethnic balance. The experience of "elected sheriffs" in America, from where this idea is from, is that they appeal to the most punitive aspects of public opinion to get elected. A large number of senior police officers have said they will resign if this policy is implemented.

TORY CLAIM: We will oblige the police to publish detailed local crime data statistics every month, in an open and standardised format.

VERDICT: *Fake change.* Online crime maps are already available in all 43 police forces in England and Wales.

TORY CLAIM: Annual limit on the number of non-EU economic migrants admitted into the UK to live and work. Take net migration back to the levels of the 1990s – tens of thousands a year, not hundreds of thousands.

VERDICT: *Unfair.* They are so unsure about this policy, they won't even say what the annual limit will be. A fixed cap is totally unsuitable for a flexible market economy like ours and will stop Britain from continuing to enjoy the benefits of immigration while on its road to economic recovery. It's an unlikely conversion to Soviet-style planning. What if the quota is reached before the end of the year? What if we still need Japanese sushi chefs or American aviation engineers or Russian-speaking economists? What if Arsenal want to sign Andrey Arshavin? Pulling up the drawbridge because we have reached some arbitrary limit will stop skill shortages in various sectors from being met.

NHS

TORY CLAIM: We will give the public a strong and independent voice through HealthWatch, a statutory body with the power to investigate and support complaints.

VERDICT: *Flip flop.* In one breath the Conservatives say they'll cut back on bureaucracy and in the next they're talking about setting up yet another quango. How is this going to be any different to the National Patient Safety Agency or the Health Service Ombudsman?

TORY CLAIM: We will commission a 24/7 urgent care service in every area of England, including GP out of hours services, and ensure that every patient can access a GP in their area between 8am and 8pm, seven days a week.

VERDICT: *Flip flop.* The Conservatives opposed extending GP opening hours. Two years ago Andrew Lansley said: "Senior professionals providing a service who are accountable to patients should not have their hours controlled by Government."

TORY CLAIM: We will scrap the politically-motivated targets that have no clinical justification.

VERDICT: *Unfair.* The Tories are planning to scrap targets but have no means to ensure people get their treatment on time. Waiting lists could easily grow again if there is no mechanism to ensure people get their treatment.

TORY CLAIM: We will stop the forced closure of A&E and maternity wards, so that people have better access to local services.

VERDICT: *Does not go far enough.* Andrew Lansley admitted on Newsnight in April 2010 that the Conservatives' moratorium on closures has no defined time-limit. Therefore it's not worth the paper it's written on.

TORY CLAIM: We will increase the number of single rooms in hospitals, as resources allow, helping the battle against infection and providing safety and privacy.

VERDICT: *Flip flop.* In September Andrew Lansley, the shadow health secretary, promised that the Conservatives would build 45,000 additional single rooms within five years, raising the proportion of single rooms from 28% to 55%. This is not in their manifesto anymore.

TORY CLAIM: Using money saved by the NHS through our pledge to stop Labour's jobs tax, we will create a Cancer Drug Fund to enable patients to access the cancer drugs their doctors think will help them.

VERDICT: *Unfair.* John Appelby from the Kings Fund described the Tories' cancer drug commitment as a 'sleight of hand'. It's unfair to promise cancer sufferers drugs with money the NHS doesn't have.

TORY CLAIM: We will support carers, and those they look after, by providing direct payments to help with care needs and by improving access to respite care.

VERDICT: *Does not go far enough.* There isn't any actual firm commitment here to do anything for Britain's carers.

TORY CLAIM: We will allow anyone to protect their home from being sold to fund residential care costs by paying a one-off insurance premium.

VERDICT: *Unfair.* Why should a millionaire pay the same amount for their care as a pensioner on modest means?

EDUCATION

TORY CLAIM: A Conservative government will give many more children access to the kind of education that is currently only available to the well-off: safe classrooms, talented and specialist teachers, access to the best curriculum and exams, and smaller schools with smaller class sizes with teachers who know the children's names.

VERDICT: *Unfair.* It's unfair for the Tories to tell parents they're going to cut class sizes when they've not committed any money to make it happen.

TORY CLAIM: We will make it easier for teachers to deal with violent incidents and remove disruptive pupils or items from the classroom.

VERDICT: *Unfair.* The Conservatives' plans to target the education budget for cuts will mean bigger classes which are more difficult to control. They have no plans to invest extra money in schools so teachers can help children who are struggling. It is these children who will fall further behind, become bored and disruptive.

TORY CLAIM: We expect new graduates to have at least a 2:2 in their degree in order to qualify for state-funded training.

VERDICT: *Unfair.* David Cameron's own policy would mean that his maths adviser Carol Vorderman would not be able to enter the teaching profession. While it is important that teachers have an excellent subject knowledge, they also need to be able to have excellent communication skills and be able to relate to young people.

TORY CLAIM: We will break down barriers to entry so that any good education provider can set up a new Academy school.

VERDICT: *Unfair.* The Conservatives' approach to school reform is completely muddled, expensive, and the idea that simply allowing new providers to open schools will raise standards across the country is naive.

POLITICAL REFORM

TORY CLAIM: It will take nothing less than a deep clean of the political system in Westminster to root out the sleaze and dispel suspicion. A Conservative government will ensure every vote will have equal value by introducing 'fair vote' reforms to equalise the size of constituency electorates.

VERDICT: *Unfair.* The whole political system in Westminster needs changing. MPs in safe seats were far more likely to abuse the expenses system. We need a fair voting system and an end to safe seats if we are to have a real "deep clean" but the Tories oppose any change to the electoral system.

TORY CLAIM: We were the party that insisted that MPs' expenses were published online, and we have supported the independent proposals to clean up the House of Commons.

VERDICT: *Flip-flop.* Conservatives led attempts to exclude Parliament from the Freedom of Information Act. Speaking for the party, Jonathan Djanogly MP said "the Conservative party remains neutral on this" but proceeded to vote with backbench colleagues to keep information about Parliament, including expenses, in the dark.

TORY CLAIM: A Conservative government will introduce a power of ‘recall’ to allow electors to kick out MPs, a power that will be triggered by proven serious wrongdoing.

VERDICT: *Flip flop and long standing Liberal Democrat proposal.* The Tories didn’t even bother to vote when the Liberal Democrats put these proposals before Parliament in June 2009.

TORY CLAIM: We will seek an agreement on a comprehensive package of reform that will encourage individual donations and include an across the board cap on donations. This will mark the end of the big donor era and the problems it has sometimes entailed.

VERDICT: *Flip flop and long standing Liberal Democrat proposal.* The Tories were the ones who walked out on the cross-party funding talks in 2008. They also refused to support Liberal Democrat proposals to cap donations when it was put to a vote in the Commons. What’s more, they’ve been bankrolled by their sugar daddy in Belize and elevated him to the House of Lords, despite knowing he didn’t pay tax in this country.

TORY CLAIM: The lobbying industry must regulate itself to ensure its practices are transparent – if it does not, then we will legislate to do so.

VERDICT: *Flip flop and long standing Liberal Democrat proposal.* The Tories abstained when the Liberal Democrats put forward proposals to regulate lobbying in 2006.

WHAT’S MISSING...?

In March 2008, David Cameron announced he would build 5,000 extra prison places above the Government’s commitment.

CIVIL LIBERTIES

TORY CLAIM: We will scrap ID cards and the National Identity Register.

VERDICT: *Flip-flop.* The Tories could have stopped ID cards if they had voted against them five years ago. They supported them and only jumped on the bandwagon when they realised how unpopular they were. They’ll still keep them for foreign nationals and it is not clear how they can abolish the National Identity Register if they remain committed to the next generation of biometric passports.

TORY CLAIM: We will replace the Human Rights Act with a UK Bill of Rights.

VERDICT: *Unfair.* This policy effectively abolishes human rights in Britain, making it easier for the Government to deport people to places where they may face torture and meaning only people rich enough to take their case to Strasbourg would have access to human

rights. Even Ken Clarke described this as “xenophobic and legal nonsense” because unless the Conservatives pull out of the European Convention on Human Rights, decisions could still be overridden in Strasbourg.

TORY CLAIM: We will legislate to make sure that our DNA database is used primarily to store information about those who are guilty of committing crimes rather than those who are innocent.

VERDICT: *Flip-flop.* The Conservatives didn’t even have a policy on DNA retention until it was ruled illegal by the European Court and after Damian Green was arrested. What’s more, they had a chance last week to defeat Labour’s proposals to keep the DNA of innocent people for six years and didn’t even bother to try.

DEFENCE

TORY CLAIM: We support the decision to renew Britain’s submarine-based nuclear deterrent, based on the Trident missile system.

VERDICT: *Fake change.* Like Labour, the Conservatives are in denial that the Cold War is over. At £100bn Trident is the single largest future defence spending commitment. To exclude it from a Defence Review is illogical and irresponsible.

TORY CLAIM: We will release spending on unnecessary and bureaucratic EU defence initiatives and spend it on the Armed Forces. We will re-evaluate our position with the European Defence Agency (EDA).

VERDICT: *Fake change.* Conservative opposition to the EDA is purely ideological. The savings to be made are small - the UK contributed £3m to the EDA in 2009. In the long run, pulling out of the EDA will cost the British taxpayer, undermining efforts to save money through joint procurement of equipment. It will also isolate Britain on defence matters in the EU.

WHAT’S MISSING...?

There is no commitment to hold an inquiry into allegations of British complicity in torture and rendition. Many will be concerned that the Conservatives, like Labour, will be content to brush these incredibly serious allegations under the carpet.

CLIMATE CHANGE & THE ENVIRONMENT

TORY CLAIM: We will reduce carbon emissions in line with our international commitments.

VERDICT: *Does not go far enough.* The Tories have failed to commit to the new targets needed to prevent runaway climate change – for example a 42% emissions reduction by 2020. They fail to understand the importance of Europe as a negotiating block at climate talks, instead choosing to align with climate sceptics.

TORY CLAIM: We will promote small and large-scale low carbon energy production, including nuclear, wind, clean coal and bio-gas.

VERDICT: *Unfair.* Nuclear is not clean and it is not environmental – the Tories have no plans to deal with deadly waste and new reactors still haven't been approved. Conservative Councils have blocked more applications to build wind turbines than any other party.

TORY CLAIM: We will safeguard our energy security by ensuring there is sufficient spare capacity in the energy system.

VERDICT: *Does not go far enough.* The Conservatives keep propagating scare stories about the lights going out. This simply is not true. Many independent reports clearly show that if we meet the renewables targets and increase energy efficiency this will not happen until around 2016. Because any energy gap would kick in around 2016, new nuclear power will make no difference as it is not possible to have it online until 2018 at the earliest. Therefore it will push out investment in renewables and energy efficiency which are the real solution to our energy and climate security.

TORY CLAIM: We will conserve and enhance the natural environment.

VERDICT: *Fake change.* We will protect and improve the UK's natural environment and pioneer new schemes to improve conservation. The Conservatives want to introduce a scheme of conservation credits which will do nothing more than privatise our wildlife. They talk about wildlife corridors and biodiversity but they have not made it clear when they will do it, how this will be paid for and how much they will increase it by.

TORY CLAIM: We will push for reform of the Common Agricultural and Fisheries Policies to promote sustainable farming and fishing.

VERDICT: *Unfair.* Farmers need our help more than ever before. The Conservatives want to end the direct payments from the CAP.

TORY CLAIM: We will work towards a zero-waste society.

VERDICT: *Fake change.* They talk about working towards zero waste without making it a commitment. They have no new ideas of how this will be achieved, no new regulation and again make no new targets or money available.

LOCAL GOVERNMENT & HOUSING

TORY CLAIM: Freeze council tax for two years, in partnership with local councils. This will be paid for by reducing spending on government consultants and advertising, and could save families and pensioners up to £219 over two years on a Band D bill.

VERDICT: *Fake change.* IFS researchers estimated that the total net cost of the policy is £1.4bn and will mean an extra 75p on average a week for each household, which is a minimal saving on a deeply unfair tax which costs the poorest households almost three times as much of their income in council tax as the richest households.

TORY CLAIM: We will strengthen and support social enterprises to help deliver our public service reforms by creating a Big Society Bank, funded from unclaimed bank assets, to provide new finance for neighbourhood groups, charities, social enterprises and other non-governmental bodies.

VERDICT: *Does not go far enough.* The credit crunch means that estimates of how much banks will be willing to release have fallen from original estimates of £2bn to perhaps as little as £200m to £300m.

TORY CLAIM: Enable parents to start new schools, empower communities to take over local amenities such as parks and libraries that are under threat, give neighbourhoods greater control of the planning system, and enable residents to hold the police to account in neighbourhood beat meetings.

VERDICT: *Flip Flop.* The Conservatives previously wanted the Secretary of State to be able to give permission to turn buildings into schools, regardless of whether there is local opposition.

TORY CLAIM: We will use Cabinet Office budgets to fund the training of independent community organisers to help people establish and run neighbourhood groups, and provide neighbourhood grants to the UK's poorest areas to ensure they play a leading role in the rebuilding of civic society.

VERDICT: *Unfair.* The future revenue from the Futurebuilders fund is to be taken away and used to fund the training of community organisers and provide grants to neighbourhood groups. Peter Kyle, deputy chief executive of Acevo, the organisation for voluntary sector chief executives, said there would be concern at the loss of capital from the Futurebuilders fund, which was proving a key source of innovation in the third sector.

TORY CLAIM: We will introduce National Citizen Service. The initial flagship project will provide a programme for 16 year olds to give them a chance to develop the skills needed to be active and responsible citizens, mix with people from different backgrounds, and start getting involved in their communities.

VERDICT: *Fake change.* The Conservatives have made clear that any funding shortfalls in the National Citizen Service would have to be covered by the state. Using figures from the Conservative pilot project, this scheme will cost £6.5bn to roll out for all 16 year olds, which leaves a massive black hole in their funding plans.

TORY CLAIM: A Conservative government will introduce a new 'open source' planning system. This will mean that people in each neighbourhood will be able to specify what kind of development they want to see in their area. These neighbourhood plans will be consolidated into a local plan.

VERDICT: *Fake change.* 80% of planning consultants think that Conservative planning proposals will lead to a fall in housing completions. 65% warned that local authorities will be less receptive to development if the plans are implemented.

TORY CLAIM: Communities should benefit when they choose to develop sustainability, so we will match pound-for-pound the council tax receipts that local authorities receive from new homes to encourage sensitive local development.

VERDICT: *Unfair.* The National Housing Federation is concerned that the Tories' proposals to offer incentives to local communities to accept proposed building through the council tax system may not prove sufficient, as Federation research suggests the affordable housing incentives will add less than 1% to a typical council's budget. They have also warned that Conservative plans to scrap Section 106 could see 46,000 fewer affordable homes built.

TORY CLAIM: Pilot a new 'right to move' scheme and introduce a nationwide social home swap programme, so social tenants can transfer their tenancy to another home or part of the country.

VERDICT: *Fake change.* There's no need for this policy as councils up and down the country already help people to transfer their home through a website called Homeswapper. The National Housing Federation has said: "This scheme could not be implemented without adding massively to the costs of housing associations – which would inevitably hamper their ability to provide badly needed new homes and vital community services."

TORY CLAIM: We will give democratically-accountable local government much greater power to improve their citizens' lives and end ring-fencing so that funding can be spent on local priorities.

VERDICT: *Fake change.* They will still ring-fence health and DFID funding. They took power away from local government by introducing the unfair council tax and deciding to set business rates nationally.

TORY CLAIM: We will abolish the Government Office for London as part of our plan to devolve more power downwards to the London boroughs and the Mayor of London.

VERDICT: *Does not go far enough.* The Conservatives repeatedly criticise the Government Offices for the Regions but then they only commit to abolishing the one office that will give more power to the Conservative Mayor of London.

TORY CLAIM: We will give residents the power to instigate local referendums on any local issue if 5% of the local population sign up, and they will also be able to veto any proposed high council tax increases.

VERDICT: *Fake change.* Powers to veto council tax increases could lead us into huge deficit as has been the case in California.

TRANSPORT

TORY CLAIM: Begin work immediately to create a high speed rail line connecting London and Heathrow with Birmingham, Manchester and Leeds.

VERDICT: *Longstanding Liberal Democrat policy.* We first committed to a high speed rail network in 2004.

TORY CLAIM: We will stop the third runway and instead link Heathrow directly to our high speed rail network. In addition, we will block plans for second runways at Stansted and Gatwick.

VERDICT: *Flip flop.* Just last year Conservative shadow transport secretary Theresa Villiers said: "We don't rule out the potential for airport expansion in the South East." She has also said: "We recognise that the economic arguments for expanding Heathrow are much stronger than any other airport in the South East." Boris Johnson is also planning to build a new airport in the Thames Estuary.

TORY CLAIM: We will introduce a moratorium on building on disused rail lines still in public ownership, so they are available to be re-opened.

VERDICT: *Does not go far enough.* We need to reverse the massive cuts made to the rail network because of the Beeching report commissioned by a Conservative government.

TORY CLAIM: We will consult on the introduction of a fair fuel stabiliser.

VERDICT: *Flip Flop.* They had a consultation on the introduction of a fair fuel stabiliser two years ago, why do they need another consultation? They grab headlines by re-announcing old policies but don't actually commit to implementing them.

TORY CLAIM: We will crack down on rogue clampers.

VERDICT: *Flip flop.* They voted against our proposals to ban private sector wheel clamping just a few months ago. They won't really change anything.

BUSINESS

TORY CLAIM: We will cut the headline rate of corporation tax to 25p and the small companies' rate to 20p, funded by reducing complex reliefs and allowances.

VERDICT: *Unfair.* It is simply wrong to suggest that this is a tax cut. Banking, financial services, insurance and business services will benefit at the expense of those companies who make long term investment in the UK like manufacturers.

TORY CLAIM: For the first two years of a Conservative government any new business will pay no Employers National Insurance on the first ten employees it hires during its first year.

VERDICT: *Unfair.* Singling out new businesses creates an artificial distinction - every new job is equally valuable. The proposal does nothing to help existing businesses. The cost of the National Insurance holiday for start-up firms would be much better spent for the benefit of all businesses.

TORY CLAIM: We will set an annual limit on the number of non-EU economic migrants admitted into the UK to live and work.

VERDICT: *Unfair.* A fixed cap is unfair and totally unsuitable for a flexible market economy like the UK. It will undermine our competitiveness, stopping Britain from continuing to enjoy the benefits of immigration on its road to economic recovery.

TORY CLAIM: To encourage new businesses to start up, we will reduce the number of forms needed to register a new business – moving towards a 'one-click' registration model – to make Britain the fastest place in the world to start a business.

VERDICT: *Fake change.* This is just a gimmick – incorporating a business in the UK only takes eight to ten working days after the documents are submitted to Companies House. If it needs to be done quickly a Same Day Incorporation service is available for £50. There are much bigger barriers to setting up a business such as getting access to finance.

CULTURE

TORY CLAIM: If necessary, we will consider using the part of the licence fee that is supporting the digital switchover to fund broadband in areas that the market alone will not reach.

VERDICT: *Flip flop.* They can't make up their minds on top-slicing the licence fee. Their 2008 media policy paper said that other organisations should be allowed to bid for small parts of the licence fee but later that year David Cameron declared he was sceptical about using the licence fee to fund other broadcasters. Now, having realised that their opposition to funding for high-speed broadband would disadvantage large parts of the country, they have changed their minds again.

TORY CLAIM: We will restore the National Lottery to its original purpose and, by cutting down on administration costs, make sure more money goes to good causes. The Big Lottery Fund will focus purely on supporting social action through the voluntary and community sector, instead of Ministers' pet projects as at present. Sports, heritage and the arts will each see their original allocations of 20% of good cause money restored.

VERDICT: *Unfair.* This will prevent statutory bodies like local authorities from receiving Lottery money. Examples of Lottery programmes benefitting grassroots sport and culture that wouldn't have been funded under a Conservative government are the £80m community libraries fund; the £90m Parks for People initiative and the children's play programme which gave money to local authorities based on the child population of the area and weighted by the level of deprivation.