

## **July 11, 2016 Speech by Theresa May, launching her national campaign to become Leader of the Conservative Party and Prime Minister of the United Kingdom**

Two weeks ago, I launched my candidacy to become the Leader of the Conservative Party – and Prime Minister of the United Kingdom.

And last week, I won the overwhelming support of my colleagues in the House of Commons. Nearly two thirds of the Conservative Party in Parliament. Left and right. Leavers and remainers. MPs from the length and breadth of Britain. The result showed that, after the referendum, the Conservative Party can come together – and under my leadership it will.

I am here today – in the great city of Birmingham – to launch my national campaign, in which I will make my case to the Conservative Party membership – and the country as a whole.

That case comes down to three things.

First, our country needs strong, proven leadership – to steer us through this time of economic and political uncertainty, and to negotiate the best deal for Britain as we leave the EU and forge a new role for ourselves in the world. Because Brexit means Brexit and we're going to make a success of it.

Second, we need to unite our Party and our country.

And third, we need a bold, new, positive vision for the future of our country – a vision of a country that works not for a privileged few but for every one of us.

### **My vision of a country that works for everyone**

It is about that vision that I want to talk to you today. Because if we're going to govern in the interests of the whole country, we cannot become defined exclusively by the process of our withdrawal from the EU. That is an important job and we're going to get it done. But we also need a Government that will deliver serious social reform – and make ours a country that truly works for everyone.

Because right now, if you're born poor, you will die on average nine years earlier than others. If you're black, you're treated more harshly by the criminal justice system than if you're white. If you're a white, working-class boy, you're less likely than anybody else to go to university. If you're at a state school, you're less likely to reach the top professions than if you're educated privately. If you're a woman, you still earn less than a man. If you suffer from mental health problems, there's too often not enough help to hand. If you're young, you'll find it harder than ever before to own your own home.

But, as I have said before, fighting these injustices is not enough. If you're from an ordinary, working-class family, life is just much harder than many people in politics

realise. You have a job, but you don't always have job security. You have your own home, but you worry about mortgage rates going up. You can just about manage, but you worry about the cost of living and the quality of the local school, because there's no other choice for you.

These are the reasons why, under my leadership, the Conservative Party will put itself – completely, absolutely, unequivocally – at the service of ordinary, working people. It is why we will make Britain a country that works for everyone:

An economy that works for everyone, so we don't just maintain economic confidence and steer the country through challenging times – but we make sure that everyone can share in the country's wealth.

A society that works for everyone, so we can bring people back together – rich and poor, north and south, urban and rural, young and old, male and female, black and white, sick and healthy, public sector, private sector, those with skills and those without.

A democracy that works for everyone, so we can restore trust and confidence in our most important institutions – and the political process itself.

And a party that works for everyone – because we can't build a country that works for all unless we, the Conservatives, are truly a party that works for all.

### **An economy that works for everyone**

In the coming weeks, I will set out my plans to take our economy through this period of uncertainty, to get the economy growing strongly across all parts of the country, to deal with Britain's longstanding productivity problem, to create more well-paid jobs, to negotiate the best terms for Britain's departure from the European Union – and to forge a new role for ourselves in the world.

But today, I want to talk about my plans to reform the economy so that it really does work for everyone. Because it is apparent to anybody who is in touch with the real world that people do not feel our economy works that way at all. Talk to almost any ordinary member of the public, and the frustration they feel about the loss of control over their day-to-day lives is obvious.

They are the ones who made real sacrifices after the financial crash in 2008. Some lost their jobs, some reduced their hours, others took a pay cut. Wages have grown, but only slowly. Taxes for the lowest paid went down, but other taxes, like VAT, went up. Fixed items of spending – like energy bills – have rocketed. Monetary policy – in the form of super-low interest rates and quantitative easing – has helped those on the property ladder at the expense of those who can't afford to own their own home.

There isn't much job security out there. Some find themselves exploited by unscrupulous bosses. And, yes, some have found themselves out of work or on lower wages because of

low-skilled immigration. It's harder than ever for young people to buy their first house. There is a growing divide between a more prosperous older generation and a struggling younger generation. And there is a gaping chasm between wealthy London and the rest of the country.

When you add all of these things up, the only surprise is that there is so much surprise in Westminster about the public's appetite for change. And make no mistake, the referendum was a vote to leave the European Union, but it was also a vote for serious change.

Yet so many of our political and business leaders have responded by showing that they still don't get it. There are politicians – democratically-elected politicians – who seriously suggest that the Government should find a way of ignoring the referendum result and keeping Britain inside the European Union. And there are business leaders whose response has not been to plan for Britain's departure or to think of the opportunities withdrawal presents – but to complain about the result and criticise the electorate.

Well, I couldn't be clearer. Brexit means Brexit. And we're going to make a success of it. There will be no attempts to remain inside the EU, no attempts to rejoin it by the back door, and no second referendum. The country voted to leave the European Union, and as Prime Minister I will make sure that we leave the European Union.

And I am equally clear about the need for change. I am not going to ignore the public when they say they're sick of politics as usual. I am going to make sure that the motives of the Government will never be in any doubt. We, the Conservatives, will put ourselves at the service of ordinary, working people and we will make Britain a country that works for everyone – whoever you are and wherever you're from.

The Government has made great strides in the last six years, dealing with the debt crisis, reducing the deficit, and presiding over an economic recovery. But if we are going to make sure our economy truly works for everyone – if we are going to help people to take control of their lives – we need to take action in four different ways. We need to reform the economy to allow more people to share in the country's prosperity. We need to put people back in control of their lives. We need to give more people more opportunity. And we need to get tough on irresponsible behaviour in big business.

### **Reforming the economy for greater shared prosperity**

I will start with economic reform. Because for a Government that has overseen a lot of public service reforms in the last six years, it is striking that, by comparison, there has not been nearly as much deep economic reform. That needs to change for a simple reason. If we want to increase our overall prosperity, if we want more people to share in that prosperity, if we want bigger real wages for people, if we want more opportunities for young people to get on, we have to improve the productivity of our economy.

Yet we have long had a problem with productivity in Britain. So I want to make its improvement an important objective for the Treasury. I want to see an energy policy that emphasises the reliability of supply and lower costs for users. A better research and development policy that helps firms to make the right investment decisions. More Treasury-backed project bonds for new infrastructure projects. More house building. A proper industrial strategy to get the whole economy firing. And a plan to help not one or even two of our great regional cities but every single one of them.

### **Putting people back in control**

If we are going to have an economy that works for everyone, we are going to need to give people more control of their lives. And that means cutting out all the political platitudes about “stakeholder societies” – and doing something radical.

Because as we saw when Cadbury’s – that great Birmingham company – was bought by Kraft, or when AstraZeneca was almost sold to Pfizer, transient shareholders – who are mostly companies investing other people’s money – are not the only people with an interest when firms are sold or close. Workers have a stake, local communities have a stake, and often the whole country has a stake. It is hard to think of an industry of greater strategic importance to Britain than its pharmaceutical industry, and AstraZeneca is one of the jewels in its crown. Yet two years ago the Government almost allowed AstraZeneca to be sold to Pfizer, the US company with a track record of asset stripping and whose self-confessed attraction to the deal was to avoid tax. A proper industrial strategy wouldn’t automatically stop the sale of British firms to foreign ones, but it should be capable of stepping in to defend a sector that is as important as pharmaceuticals is to Britain.

And I want to see changes in the way that big business is governed. The people who run big businesses are supposed to be accountable to outsiders, to non-executive directors, who are supposed to ask the difficult questions, think about the long-term and defend the interests of shareholders. In practice, they are drawn from the same, narrow social and professional circles as the executive team and – as we have seen time and time again – the scrutiny they provide is just not good enough. So if I’m Prime Minister, we’re going to change that system – and we’re going to have not just consumers represented on company boards, but employees as well.

There are other ways, too, in which we need to put people back in control. As the Government reforms public services, we should encourage public sector workers to set up mutuals. As we take infrastructure decisions – like with new housing, roads, or exploration for oil and gas – the benefits should be shared not just with local authorities but with local people themselves.

### **Giving people more opportunity**

And this brings me on to the third way in which we need to make our economy work for everyone – which is by giving people more opportunity. This, to me, is what the Conservative Party is all about. In the name of equality, Labour end up holding people back – but we believe in setting people free to go as far as their talents will take them.

That is why school reform is such a passion for so many Conservatives – and I will be setting out my own plans for schools policy in the coming weeks. But it is also why housing matters so much, and why we need to do far more to get more houses built.

Because unless we deal with the housing deficit, we will see house prices keep on rising. Young people will find it even harder to afford their own home. The divide between those who inherit wealth and those who don't will become more pronounced. And more and more of the country's money will go into expensive housing instead of more productive investments that generate more economic growth.

### **Getting tough on corporate irresponsibility**

The fourth way in which I want to make our economy work for everyone is by getting tough on irresponsible behaviour in big business. Because yes, we're the Conservative Party, and yes we're the party of enterprise, but that does not mean we should be prepared to accept that "anything goes".

The FTSE, for example, is trading at about the same level as it was eighteen years ago and it is nearly ten per cent below its high peak. Yet in the same time period executive pay has more than trebled and there is an irrational, unhealthy and growing gap between what these companies pay their workers and what they pay their bosses.

So as part of the changes I want to make to corporate governance, I want to make shareholder votes on corporate pay not just advisory but binding. I want to see more transparency, including the full disclosure of bonus targets and the publication of "pay multiple" data: that is, the ratio between the CEO's pay and the average company worker's pay. And I want to simplify the way bonuses are paid so that the bosses' incentives are better aligned with the long-term interests of the company and its shareholders.

I also want us to be prepared to use – and reform – competition law so that markets work better for people. If there is evidence that the big utility firms and the retail banks are abusing their roles in highly-consolidated markets, we shouldn't just complain about it, we shouldn't say it's too difficult, we should do something about it.

And tax. We need to talk about tax. Because we're Conservatives, and of course we believe in a low-tax economy, in which British businesses are more competitive and families get to keep more of what they earn – but we also understand that tax is the price we pay for living in a civilised society. No individual and no business, however rich, has succeeded all on their own. Their goods are transported by road, their workers are

educated in schools, their customers are part of sophisticated networks taking in the private sector, the public sector and charities. It doesn't matter to me whether you're Amazon, Google or Starbucks, you have a duty to put something back, you have a debt to your fellow citizens, you have a responsibility to pay your taxes. So as Prime Minister, I will crack down on individual and corporate tax avoidance and evasion.

It is not anti-business to suggest that big business needs to change. Better governance will help these companies to take better decisions, for their own long-term benefit and that of the economy overall. Under my leadership the Conservative Party will resolutely remain the party of enterprise and we will help British businesses to stay competitive and create more well-paid jobs.

### **This is a moment of great national change – and we must rise to the occasion**

This is a different kind of Conservatism, I know. It marks a break with the past. But it is in fact completely consistent with Conservative principles. Because we don't just believe in markets, but in communities. We don't just believe in individualism, but in society. We don't hate the state, we value the role that only the state can play. We believe everybody – not just the privileged few – has a right to take ownership of what matters in their lives. We believe that each generation – of politicians, of business leaders, of us all – are custodians with a responsibility to pass on something better to the next generation. Above all, we believe in Britain – and in the British people.

From Robert Peel to Lady Thatcher, from Joseph Chamberlain to Winston Churchill, throughout history it has been the Conservative Party's role to rise to the occasion and to take on the vested interests before us, to break up power when it is concentrated among the few, to lead on behalf of the people. It has been our strength as a Party that at moments of great national change, we have understood what needed to be done. And believe me, nobody should doubt that this is another of those moments of great national change.

We must leave the European Union – and forge a new role for ourselves in the world.

And we must make Britain a country that works not for a privileged few but for every single one of us.

To do those things we need to come together – as a Party and as a country – under strong and proven leadership.

And then together, we will build a better Britain.