

Brexit should boost growth

The Remain financial establishment led by Mr Hammond 2017-19 followed policies which have led to a slowdown in UK growth. It is true there has been a global slowdown led by manufacturing, but that easily forecastable fact should have made them change their policy even more in the direction of promoting growth.

Instead the Bank of England has refused to consider cutting rates or creating more liquidity to facilitate more jobs and activity, whilst practically every other major Central Bank in the world has eased policy in several ways. China, France, the USA, India and others have also cut taxes to promote growth.

The UK was right to rein in the excessive public deficits reached at the end of the last decade. A period of retrenchment was unfortunately necessary to avoid loss of confidence and enable a recovery to begin. In the last two years I have been pressing for some fiscal and monetary relaxation to prevent the slowdown we are now predictably experiencing. The government led by the new Prime Minister is now taking action to ease the fiscal squeeze, which should help growth in a year's time when the benefits of the next budget start to flow through.

Brexit allows us to change various policies to allow a faster expansion. Of course it is right to keep in place controls on the debts and deficits to avoid excessive debt build up and loss of confidence that can bring. It is also right to allow enough money to circulate to accommodate growth and to allow people to keep enough of the money they earn so their spending can fuel some growth.

Brexit also allows us to set out policies that improve the amount of food we grow and process at home, and to rebuild our fishing industry landing more of the catch for home processing and consumption. It allows us to take tariffs down on much needed raw materials, foods and components from non EU sources. Meanwhile according to the Political declaration we will be negotiating a Free Trade deal with the EU at the same as with other important economies around the world.

The Conservative Manifesto sets out £3.195 bn of tax cuts for 2020-21, with an increase in the National Insurance threshold giving a tax cut to 31 million workers at a cost to the revenue of £2.17 billion. Business rate cuts and an enhanced Employment Allowance make up most of the rest.