## <u>Caroline Lucas MP response to Rishi</u> Sunak's summer statement on stimulus



8 July 2020

## Caroline Lucas response to Sunak statement

"This was yet another Government statement which didn't live up the hype and does very little in the face of the huge challenges we face.

"For all the promises, repeated again, that this would be a green recovery with concern for the environment at its heart, all we got was a rehash of announcements made earlier this week on a voucher scheme for home insulation — covering less than 3% of homes in England.

"While this is work that desperately needs to be done to tackle emissions from buildings, the scale of what the Government is proposing will have a minimal impact, cutting just 0.14% of UK emissions. It's a pittance in the face of what's needed.

"The can is being kicked down the road to the Autumn Budget when we need to be accelerating action on the climate and nature crises, not delaying it. The Committee on Climate Change said the recovery from Covid needed to be a defining moment in the fight against climate change". All that Rishi Sunak's statement defined was a lack of ambition.

"It was also hugely disappointing that the Chancellor failed to recognise the unfairness of the self-employed support scheme which has far too many gaps to cover all those who are self-employed. He could have done something about that and he failed, washing his hands of millions who've lost their livelihoods.

"I have been campaigning for a cut in VAT for years, doubling down on those calls in recent months because of the terrible impact of coronavirus on the hospitality sector — most recently asking ministers in mid-June to cut the rate to 5%.

"So I'm glad the Chancellor has listened and done exactly that — but it needs to be made permanent. A lower rate of VAT for the next six months could be a lifeline for restaurants, hotels and other businesses in Brighton and Hove, where tourism and hospitality is worth about £900 million to the local

economy.

"This industry will not fully recover by itself. The cut in VAT is a good place to start. But as the Chancellor said himself, what is deterring people going out is the lack of public confidence about visiting pubs, restaurants and other venues. Without an effective track and trace system for Covid, people will be reluctant to go out and spend. The Government has had months to sort this, with money being thrown around with no coherent policy or results.

"This has to be sorted or we will risk new outbreaks of coronavirus and more lockdowns, with potentially devastating impacts on Brighton and Hove's economy."

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