

Chancellor Kwasi Kwarteng sets out economic priorities in first meeting with market leaders

- Chancellor Kwasi Kwarteng met with market and city leaders this morning (Wednesday) and set out the Prime Minister's new, pro-growth economic approach.
- This approach includes immediate support for families and businesses, supporting the economy to grow, and fiscal sustainability.
- The Chancellor also emphasised the importance of supporting the independent Bank of England's mission to get inflation under control quickly.

Chancellor Kwasi Kwarteng met market leaders this morning (Wednesday) and set out the government's new, pro-growth economic approach.

Kwasi Kwarteng began by acknowledging the extraordinary challenges that families and businesses across the UK are facing this Winter, exacerbated by Putin's barbaric invasion of Ukraine. He stressed that the government will immediately focus on supporting families and businesses to navigate the gas crisis this winter and next, supporting the economy to grow, and committing to fiscal sustainability.

Speaking after the meeting, Chancellor Kwasi Kwarteng said:

"We face extraordinary economic challenges in the coming weeks and months and I know that families and businesses across the UK are worried.

"The Prime Minister and I are committed to taking decisive action to help the British people now, while pursuing an unashamedly pro-growth agenda.

"We need to be decisive and do things differently. That means relentlessly focusing on how we unlock business investment and grow the size of the British economy, rather than how we redistribute what's left.

"With a strong and resilient economy, we deliver more jobs, higher wages, and raised living standards – all while reducing our debt-to-GDP ratio in a fiscally sustainable way."

Due to the scale of the gas crisis, the government's first priority will be to support families and businesses in the immediate term. The Chancellor was clear this will mean necessary higher borrowing in the short-term whilst ensuring monetary stability and fiscal discipline over the medium term. He committed to ensuring the economy grows faster than our debts and keeping debt as a proportion of our economy on a downward path.

The Chancellor also reiterated his full support for the independent Bank of England and their mission to control inflation, which is central to tacking cost of living challenges.

Mr Kwarteng stressed that the government will support the economy to grow. He recognised that the rate of growth has been too low and committed to a radical supply side agenda to deliver lasting economic growth. This will mean creating the right conditions for business investment and innovation, reducing burdensome regulation and taxes, which will in turn create jobs, wealth and drive economic growth.

The Chancellor reiterated his aim to get to 2.5% trend growth, delivering a stronger economy and a Britain that works for everyone.

Further information

Meeting attendees:

- Salman Ahmed, Global Head of Macro and Strategic Asset Allocation, Fidelity
- Lionel Assant, Senior Managing Director, Blackstone
- Amanda Blanc, CEO, Aviva –
- Stephen Cohen, Head of EMEA, Blackrock
- Constantin Cotzias, Director, Bloomberg Europe
- Richard Gnodde, CEO, Goldman Sachs International
- Beatriz Martin, CEO UK & Group Treasurer, UBS
- Charlie Nunn, Group CEO, Lloyds Banking Group
- Noel Quinn, Group CEO, HSBC
- Viswas Raghavan, CEO EMEA & Co-Head Global Investment Banking, JP Morgan
- Alison Rose, Group CEO, Natwest
- David Schwimmer, CEO, London Stock Exchange Group
- CS Venkatakrishnan, Group CEO, Barclays
- Nigel Wilson, CEO, Legal and General