

IMF Article IV Press Conference Opening Remarks -Chancellor of the Exchequer, Rishi Sunak

Good morning.

Let me start by welcoming Kristalina Georgieva, the Managing Director of the IMF, and her fantastic team.

I'm grateful for their hard work in providing independent and informed scrutiny of our economic plan and financial stability.

The IMF's report comes against the uncertain backdrop of the new Omicron variant.

The most important thing we can do to safeguard the economic recovery and protect the British people's lives and livelihoods, is for everyone to get boosted now.

Doing so will save lives and avoid more stringent restrictions later on.

Now I know this is an uncertain time for many.

That's why our £400bn Covid support package will continue to help businesses well into spring next year...

...through a set of measures the IMF has today recognised as "impressive, coordinated" and "strong".

And although the IMF have rightly pointed out that the UK does face real challenges in the months to come, they have also said that:

Our economy is "resilient"; our recovery has been "faster than expected"; and our actions throughout the crisis have "protected jobs and firms".

New statistics published just this morning show that, compared to before the pandemic, there are now nearly half a million more people in work.

Our economic plan goes further in three crucial areas: to help working people with the cost of living; to stabilise our public finances; and to invest in our future growth.

First, I know people are worried about inflation as they see prices rising in the shops.

So to help with the cost of living, we're increasing the National Living Wage to £9.50 from April – a pay rise for 2 million people.

Freezing Fuel Duty for the twelfth year running, saving car drivers £15 every

time they fill up compared to pre-2010 plans.

And giving nearly 2 million families an extra £1,000 a year through the cut to the Universal Credit taper and increased work allowances.

Second, we're acting responsibly to put the public finances back on a sustainable path.

The IMF has strongly endorsed the new fiscal rules I set out at Budget, saying they have "anchored fiscal policy well".

Thanks to the difficult decisions we've taken, our deficit is expected to stabilise and our national debt to fall.

And their comments on our fiscal policy are a crucial reminder: we must stick to the Government's existing public spending plans.

And third, I'm pleased that the IMF has welcomed our Plan for Growth, calling it "comprehensive" and backed by "significant amounts of funding".

We're making this country a science superpower with a commitment to spend £20bn on R&D by 2024-25.

Investing over £130bn in economic infrastructure like roads, railways, broadband and mobile networks.

Increasing spending on skills to £3.8bn including the PM's lifetime skills guarantee for 11m adults.

And helping hundreds of thousands of people get good, well-paid work through our Plan for Jobs.

It's always been clear that the road to recovery from such an unprecedented economic shock was never going to be smooth.

The IMF have rightly reminded us of some of the dangers that lie ahead.

But people should be reassured that the IMF have also said we are entering this period of uncertainty with a resilient economic foundation.

And that we have the right plans in place to help families and businesses with the cost of living;

Get the public finances back on track;

And invest in the things that will grow our economy over the long term.

So thank you again to the IMF team.

Let me hand over to Kristalina, for her remarks and to take your questions.