

John McDonnell response to Bank of England decision to raise interest rates to 0.5%

John

McDonnell MP, Labour's Shadow Chancellor, responding to the decision today by the Bank of England to raise interest rates to 0.5%, said:

"Today's decision by the Bank of England reflects the deep pessimism of many economists about the underlying state of the British economy after seven years of Tory policies, with productivity forecasts also likely to be downgraded by the Office for Budget Responsibility later this month.

"The Tories' failure means real wages are lower today than in 2010 and still falling. The government must bring forward the investment needed to secure well-paid jobs, and follow Labour's call for a £10/hour Real Living Wage to end poverty pay."