

My Intervention in the Chancellor's Mortgage Charter Statement

John Redwood (Wokingham) (Con):

Given that we do not want too much pressure on mortgage holders, who will be struggling, will the Government launch a series of supply-side measures to increase the supply of things that are short, to promote more home-grown food and home-produced energy, and above all to work with public sector employees and managers to have a productivity revolution in the public services where there has been a collapse in output?

Jeremy Hunt, Chancellor of the Exchequer:

As so often, my right hon. Friend is absolutely right and it is in supply-side measures that we see the long-term solution to the inflation problem that we and many other countries face. That is why the Budget was focused on labour supply measures such as a massive reduction in the cost of childcare—a reduction of up to 60% for families with young children—and it is why my right hon. Friend the Chief Secretary to the Treasury is launching the very productivity review my right hon. Friend the Member for Wokingham (John Redwood) has called for many times, to make sure we are getting better value for public money spent.