

Preparing an Autumn Statement

Time was when a Chancellor prepared an Autumn Statement or budget in secret. He would of course listen to many representations and show interest in the many ideas that come into the Treasury without giving any hint as to which if any he favoured. MPs would be offered chances to voice their favourite requests to an inscrutable Minister. Indeed, Chancellors took seriously the need for confidentiality, knowing that were they to let slip a Budget secret they would be expected to resign.

In the run up to the Autumn Statement on 17th November we have been bombarded by a series of stories in papers and on the media claiming the Chancellor is considering a wide range of specific tax rises and spending reductions. We have heard of moves against benefit recipients to increase benefits by less than inflation, tinkering with the triple lock to lower the pensions uprating, eliminating the Enterprise zones, raising CGT rates, reducing pension saving allowances, freezing income tax thresholds for longer, bringing more people into higher tax bands, taxing electric car use, taxing dividends more, worsening the terms for Non Doms, increasing windfall taxes on energy, cutting grant to Councils and others I may have missed.

I assume none of these stories came from the Chancellor and I have no idea if any of them are true. I have not seen or heard the Chancellor give any indication of what he might do beyond the very general public statements we have seen.. I do not however think they were made up, so it does look as if someone inside government who claims to know what the Chancellor is working on is talking too much. They may simply be reporting an unappetising list of options drawn up by officials. Most of these ideas seem to me to be most unlikely to make it to the announcement, given the obvious political difficulties many of them pose. It would be helpful if whoever is putting all this out was told not to do so, as it does not make for good government and it is worrying to the successive groups of people who feel threatened by these proposals.

There is never any briefing that they might cut out needless or wasteful public spending. So far this government far from cutting spending has announced a very undesirable £11 bn extra for the Bank of England to allow it to take losses on bonds it owns which it need not sell. Surely that should be a first target for the axe. It has announced extra support for emerging economies with the costs of net zero programmes. It is apparently negotiating to offer more cash to the French to assist with border control across the Channel. We would want more proof of value for money before committing any extra cash to help them police their border. Where are the plans to help more people into work and off benefits, so both the individual and the state will be better off? Why not drive for more revenue from oil and gas by switching more of our demand from imports to domestic production? Where are the plans to build more of our own ships, to make a series of small nuclear reactors using UK factories and technology, to grow more of our own food diverting subsidies from wilding schemes to investment in larger scale market gardening? There have been many more such ideas to grow our revenues and

control our costs on this blog.