

McDonnell sets out Labour's 5 demands for the Budget

John McDonnell: This budget needs to be an emergency budget for our public services that are in crisis, not a budget desperately designed to save the jobs of a weak Prime Minister and her embattled Chancellor.

John McDonnell MP, Labour's Shadow Chancellor, will today (Thursday) give a keynote speech at Church House in London, where he will set out the five main demands that Labour wants to see in next week's Autumn Budget.

The Shadow Chancellor will argue that the country needs an 'emergency Budget' to save our public services that are in crisis, not a budget desperately designed to save the jobs of a weak Prime Minister and her embattled Chancellor. The Shadow Chancellor will call for a Budget that deals with the growing emergency faced by working families and our vital public services, which have been left in crisis after seven years of Tory austerity.

He will also make the argument that this Government is not prepared to clamp down on tax avoidance, but instead wants to engage in a race to the bottom in low corporation tax rates.

John McDonnell will argue that after seven years of Tory economic mismanagement the Chancellor must change course next week, by abandoning his planned tax giveaways to a wealthy few and instead bringing greater fairness into the tax system.

The Shadow Chancellor will set out five central demands for next week's Autumn Budget:

1. Pause and fix Universal Credit
2. Provide new funding to lift the public sector pay cap
3. Serious funding for infrastructure across the whole country
4. Properly fund our public services including health, education, and local government
5. Launch a large-scale public house-building programme

John McDonnell MP, Labour's Shadow Chancellor, in his speech today at Church House, is expected to say:

"In his first year as Chancellor, Philip Hammond has demonstrated that he completely fails to understand how working people are struggling after seven years of Tory austerity.

"Next week the country needs an 'emergency Budget' for our public services that are in crisis, not a budget desperately designed to save the jobs of a

weak Prime Minister and her embattled Chancellor.

“There has to be a genuine and decisive change of course.

“As the Paradise Papers revealed yet again, the Tories have created an economy in which the rich elite at the top do better than ever, while the rest of us have to live with our vital public services teetering on the brink.

“While the Tories refuse to properly clamp down on tax avoidance and push ahead with tax giveaways to the corporations and super rich, public sector workers like our nurses are relying on food banks.

“Our schools’ head teachers have to ask parents for donations to keep them open for our children.

“Our NHS is so badly underfunded that a quarter of nurses are forced to take a second job.

“Local councils have had their funding for children’s services slashed to the point that charities now warn the crisis risks turning into a catastrophe.

“Philip Hammond wants you to believe there is nothing that can be done to end these scandals. And that the millions more children who will grow up in poverty under this government due to their policies, cannot be prevented.

“He wants you to believe that the housing crisis in our country cannot be fixed in the way that Labour has consistently called for, and even colleagues in his own Cabinet have argued for, by increasing investment to build more housing.

“He wants to pretend he cannot invest on the scale needed, yet he has already borrowed more in his first year as Chancellor than any of his predecessors in their first year at the Treasury.

“There is a better way than this. But it needs a complete break with past failures.”

The Government still has no plan to fix the housing crisis – John Healey

Responding to scheduled speeches by the Prime Minister and Communities Secretary tomorrow, **Labour’s Shadow Secretary for Housing, John Healey MP, said:**

“After seven years of failure on housing, Ministers still have no plan to fix the housing crisis. Since 2010, housing problems have got worse on all

fronts, from rising homelessness to falling home-ownership.

“The number of newly-built homes is still far below what is needed. Just as importantly, the number of new genuinely affordable social rented homes is at the lowest level since records began and the number of new low-cost homes to buy has halved since 2010.

“The public must have confidence that new homes being built will be affordable to them and their families. If the Prime Minister wants to help families on ordinary incomes, she should back Labour’s plan to build 100,000 new genuinely affordable homes a year, help first-time buyers and give renters new consumer rights including control on rents.”

[I hope the Government is listening to Labour’s calls to reduce waiting time for Universal Credit payments – Debbie Abrahams](#)

Debbie Abrahams

MP, Labour’s Shadow Work and Pensions Secretary, commenting on reports that the Government is planning to climb-down on the waiting time for Universal Credit payments, said:

“The Government is reportedly planning to reduce the six week wait for Universal Credit payments. I hope they have now listened to Labour’s repeated calls to significantly reduce the waiting time, which has driven many into debt, arrears and evictions.

“Much more needs to be done. The Government must confirm that alternative payment arrangements will be offered to all recipients, including fortnightly payments, and bring forward plans to restore the principle that work always pays under the programme.

“A pause to the programme’s roll out would ensure that it does not push people into poverty and deprivation until these issues are fixed.”

Families face bleak Christmas under threat of eviction due to Universal Credit rollout – Corbyn

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Universal Credit is so likely to lead to rent arrears, a lettings agent has taken the “extraordinary” step of issuing notices of eviction to its tenants, Labour reveals today.

Hundreds of families in North East Lincolnshire are thought to have received the ‘section 21’ notices from GAP Property ahead of next month’s rollout of Universal Credit (UC) in the area.

Section 21 notices give a tenant two months’ notice that they may be evicted and lasts for six months, during which time possession proceedings can be issued without further notice and without fault on the part of the tenant.

It comes after the National Landlords Association found just two in 10 of their members would let to a tenant who receives UC or housing benefit, and a major housing association reporting the arrears rate for those claiming UC is around three times higher than for other tenants.

An investigation by The Observer newspaper recently found half of all council tenants on UC across 105 local authorities are at least one month behind on their rent, compared to less than 10% who remain on housing benefit.

In the letter, GAP Property tells tenants UC is being rolled out in North East Lincolnshire from 13 December and states it “cannot sustain arrears at the potential levels Universal Credit could create (this affects the vast majority of our tenants)”.

The letter concludes: “This is an extraordinary event that requires both you and us to take extraordinary measures.”

Labour Leader Jeremy Corbyn, who raised the issue with Theresa May at Prime Minister’s Questions, said:

“Blanket notices of eviction handed to tenants because of Universal Credit are totally unacceptable, should shock us all and bring shame on this Conservative Government.

“Ministers have been told over and over again that the rollout of their flagship social security policy is causing debt, hardship and homelessness, and this is further proof of the devastating impact it is having. The Tories must immediately pause the rollout and fix these problems that are turning people’s lives upside down.”

John Healey MP, Shadow Housing Secretary, said:

“This letter shows that the Government’s Universal Credit chaos is leading directly to threats of eviction. People on ordinary incomes, both in and out of work, are paying the price for ministers’ ideology and incompetence.

“The actions of the letting agent are shocking, but the buck stops with ministers. During seven years of failure on housing, this Government has ignored renters with no protection against poor standards, no control of rising rents and no action on constant insecurity.

“Ministers must pause universal credit and fix the problems, and act on Labour’s plans to give renters the consumer rights they deserve.”

[Debbie Abrahams response to today’s ONS Labour Market Stats](#)

Debbie Abrahams MP, Shadow Work and Pensions Secretary, commenting on the ONS Labour Market Statistics today, said:

“Today’s stats are further evidence of Tory economic failure, only a week out from their next Budget.

“Both employment and real wages are falling while the price of household essentials balloons, leaving millions of people worse off than they were in 2010.

“Over seven million people live in poverty in working households.

“Labour will introduce a £10 an hour Real Living Wage, scrap the public sector pay cap and reform the government’s failing Universal Credit programme.”