

[This confirms that the Tories truly are the party for the few not the many – McDonnell](#)

John McDonnell, Labour's Shadow Chancellor, responding to Michael Fallon's claim to protect a wealthy few from income tax changes, while not ruling out tax hikes for low and middle earners, said:

"The mask has finally slipped. The only guarantee the Tories are prepared to give at this election is to big business and high earners. While low and middle income earners have seen no guarantee from Theresa May that their taxes won't be raised. And pensioners are left to worry about whether they will be able to heat their homes or even keep their homes, with no clarity on cuts to winter fuel payments or the dementia tax.

"This confirms that the Tories truly are the party for the few not the many. As only Labour can guarantee no rises in NICs or VAT, while 95 per cent of income taxpayers will be protected from tax hikes in the next parliament."

[Tories challenged to come clean on their plan for a 'Dementia Tax' and Winter Fuel means test](#)

Labour is calling on the Tories to come clean on how many pensioners will be hit by their plans for a dementia tax and means testing for Winter Fuel Payments.

With six days to go until voting, Theresa May has still not ended the uncertainty facing millions of pensioners.

Tory plans to scrap universal Winter Fuel Payments could hit as many as 10.8 million pensioners, according to a Labour analysis of Pension Credit data.

Meanwhile, the Tories are still refusing to give a figure for the cap they will put on their dementia tax, the name given to their plan to force people to pay for social care with their homes.

An analysis by the Labour Party (see below) shows the effect of the Tory dementia tax on older people living in a house worth the average UK price of £217,500 if the cap is set at £72,000 or £100,000 and they find they need home care at the capped level.

At a cap of £100,000, a person in this situation needing the capped amount of care would lose 42 percent of the value of their estate. The more someone's house is worth, the lower the percentage they would lose.

Labour has set out its pledges to older people – maintaining the triple-lock on state pensions to protect incomes, investing £37 billion into the NHS and £8 billion into social care over the next parliament and protecting Winter Fuel Payments and free bus passes.

Jeremy Corbyn, Leader of the Labour Party, commenting on this analysis, said:

“It is staggering that just six days from polling day millions of pensioners still don't know what's in store for them if they are unlucky enough to get dementia or any other condition that needs care in the home.

“The dementia tax is itself unfair but what's made matters even worse is the way Theresa May announced a cap and then failed to say how much it would be.

“Alongside this, older people face the additional uncertainty of not knowing who will be eligible for a Winter Fuel Payment. The introduction of a means test could mean more than ten million people losing the payment.

“Theresa May's Tories only offer to pensioners is insecurity and cuts. Labour will stand up for older people by maintaining the triple-lock on state pensions, investing £8 billion into social care over the next parliament and protecting winter fuel payments and free bus passes.”

ENDS

Notes to Editors

Winter Fuel Payments

The Conservative manifesto also includes a commitment to means test the Winter Fuel Payment which, if linked to Pension Credit, could remove the support to heat homes from ten million pensioners. But analysis by the Labour Party has found that even this could be an underestimate, as 40 percent of those eligible do not claim Pension Credit. This would leave a further 800,000 older people without support to heat their homes, bringing the total number losing out to 10,800,000.

Resolution Foundation analysis of Conservative plans to means test the Winter Fuel Payment:

<http://www.resolutionfoundation.org/media/blog/death-taxes-the-conservative-manifesto-and-the-changing-politics-of-intergenerational-fairness/>

DWP estimates of benefit take up, showing 40 percent of those eligible for Pension Credit do not claim:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535362/ir-benefits-take-up-main-report-2014-15.pdf

Dementia Tax

A 75 year-old owner occupier with savings of £20,000, whose home is worth the UK average house price of £217,500 facing home care costs of £100,000.

Under the current system: subject to income, would pay nothing towards their care costs

At a cap of £72,000: would pay £72,000 – would use all their savings and have a 24 percent charge (£52,000) set against the value of their home

At a cap of £100,000: would pay £100,000, the full cost of care

AVERAGE CARE COSTS: Analysis for the Dilnot Commission in 2010 found that 45 percent of 65 year olds could expect to spend (or have spent on them) more than £25,000 on care services, and 10 percent could expect to spend more than £100,000. Source: Dilnot Commission Report Vol 2: Evidence and Analysis

<http://webarchive.nationalarchives.gov.uk/20130221130239/https://www.wp.dh.gov.uk/carecommission/files/2011/07/Volume-II-Evidence-and-Analysis1.pdf>

AVERAGE WEALTH OF OLDER PEOPLE: 34 percent of older people aged 70-79 have non-housing assets below £23,250 but assets including houses above £100,000.

Source: IFS, based on English Longitudinal Study of Ageing, wave 7

<https://www.ifs.org.uk/publications/9243>

HOUSE PRICES: Average House Price (Feb 2017) in the UK is £217,502 Source: Land Registry <http://landregistry.data.gov.uk/app/ukhpi>

[Rebecca Long-Bailey speech on Labour's industrial strategy](#)

York has a proud industrial past.

In the nineteenth century, many of the sweets and chocolate brands we all know and love, such as Terry's and Rowntree's,

started production in York. By the end of the century, confectionery production

was a major employer here, second only to the railways.

Confectionery production maintains a presence in York. But, like many industrial communities across the North of England, the industry has faced significant challenges.

Only a few weeks ago, Nestle announced job cuts across a number of factories, including York, and the move of Blue

Riband production to Poland.

The decline of these industries and, indeed, other key manufacturing hubs across the country, has been largely due to the economic choices made by successive governments.

They didn't just leave a gap in the jobs market and a gaping hole in our economy. Their exit from places up and down Britain quite simply ripped the heart out of communities, leaving many areas struggling to bounce back.

Those communities felt left behind, their pride, hopes and dreams shattered.

But in the last few weeks, Labour has used this election campaign as an opportunity to lay out a bold vision of a different Britain.

A Britain that will rebuild these communities.

A Britain that looks after its sick and its elderly.

A Britain that gives every child the chance to reach their full potential. And in which going to university doesn't leave you saddled with tens of thousands of pounds worth of debt.

A Britain in which everyone who works earns enough to live on, and everyone who doesn't work has the chance to find a decent, fulfilling job.

A Britain that is quite simply: fairer; richer; and happier.

Today, I am here to talk about how we build that Britain.

Because we can't do it with an economy that relies on debt-driven consumption to drive growth. Families using credit cards just to get by.

We can't do it with an economy that is so imbalanced that people in London earn £134 more a week than in Yorkshire.

And in which the top 1 per cent own 24 per cent of wealth.

Now, Labour's manifesto is a promise to rewrite the rules in favour of the majority of people in this country. And

today, I will set out how we will do that for our economy.

For years, Britain's economy has been rigged in favour of narrow but powerful interests in the financial sector in one corner of England.

We were led to believe that, released from the shackles of regulation, the growth of the City of London could sustain the whole economy.

That we shouldn't worry about our once proud industrial communities being sent into managed decline, because we had the welfare state to redistribute to areas of the country left out of London's growth.

That we shouldn't worry that swathes of the country were seeing their potential wasted – or that the activities of the financial sector grew more and more detached from people's needs – because all that mattered was headline growth.

The 2007 financial crisis showed us the dangers of an economy overly reliant on an unfettered and highly volatile financial sector.

But Britain is yet to learn that lesson.

Headline growth may have recovered since the crisis, but the structural weaknesses of Britain's economy remain.

Our economy continues to be grossly imbalanced – sectorally, towards the service sector, and geographically, towards London and the South East.

Productivity and investment are stagnant.

Our balance of payments deficit shows no sign of shrinking.

And average earnings are not expected to return to 2008 levels before 2021.

It is completely unacceptable that, 10 years on from the financial crisis, people who played no part in creating it, are still paying the price.

And the country's decision to leave the EU last summer has raised the stakes even more.

When Britain leaves the EU, developing a new economic model, and a new role for Britain in the world, will be not just

desirable but essential.

The Conservatives have set out their stall – choosing bombastic rhetoric over a serious strategy for negotiations.

They have picked winners, offering bespoke deals, whilst leaving most businesses out in the cold.

They insist that no deal is better than a bad deal.

But businesses I speak to all across the country know that that is nonsense.

If we crash out of the EU without a deal, it will destroy what remains of our industrial base, and fire the starting gun in a race to the bottom on wages and workers' rights.

Labour's vision couldn't be more different.

We have said repeatedly that we will put our economy first in Brexit negotiations.

But we will go further.

We will break with the failed economic policies of the past, define a new relationship between government and the economy, and rebuild our economy on a better model.

Unlike the Conservatives, Labour will not shy away from making full use of all available policy levers, working in partnership with business and trade unions, to rebalance our economy so that it serves the many, not just the few.

Our National Transformation Fund, and £250bn of lending by our new National Investment Bank and network of Regional Development Banks, will transform our economy and deliver one million good jobs over the course of the Parliament.

Now, Labour's plan for the economy is centred around three pillars.

First – national missions to address the biggest societal issues of our time.

Second – a set of cross cutting policies to create a fertile ground for business growth.

Third – collaboration and support at a

sectoral level.

Following the work of leading economist, Mariana Mazzucato, Labour will set national missions to tackle the defining problems of our age.

To meet these missions, the public sector will make strategic investments that catalyse private sector innovation.

Our first mission is to ensure that 60 per cent of the UK's energy will come from low carbon or renewable sources by 2030.

Climate change is, quite simply, the biggest challenge confronting humanity.

Our ambitious target will spur the kind of bold and decisive action that has so far been lacking.

It will also help our economy and put us at the forefront of the emerging global renewable technology market.

Climate change is a threat, but it is also an opportunity.

Transforming our energy system and investing in renewable technologies will create good jobs, boost our exports, and lower the price of energy for everyone.

Britain is home to the greatest innovative minds of our time. We have led the world in science and technology.

As a child, I marvelled at the technological advances my region had contributed to Britain when my dad took me to the museum of science and industry in Manchester. We invented the computer, we discovered graphene, we led the world in energy, to name but a few, and I was proud of my rich industrial heritage.

But I don't want our pride in innovation consigned to mere school trips to museums.

I want us to write a new chapter for the history books, where Britain leads the world in science and innovation, where we lead the next industrial revolution.

Where our sense of pride comes not only from the greatness of the British people and our history, but also the

services

we deliver and the products we manufacture in the future.

An industrial patriotism.

So our second mission is to put Britain at the forefront of world innovation and to ensure that the products and services we create are manufactured and delivered here in Britain.

We will create an innovation nation, with the greatest proportion of high-skilled jobs in the OECD and 3 per cent of our GDP spent on research and development by 2030.

Innovation is essential to improving our productivity, which is the best means of raising wages and boosting the competitiveness of British industry.

The UK has world leading technological industries and research institutions, but we are lagging behind in terms of investment in R&D – spending only 1.7 per cent of GDP compared to an OECD average of 2.4 per cent.

The next Labour Government will immediately invest £1.3 billion in the first two years of Government, a proven way to galvanise the private sector into investing much more.

We will establish two new Catapult Centres – one for retail and one for metals, reflecting the breadth and diversity of the UK economy.

In setting these missions, we are laying down the gauntlet to business.

Central government will do its part by providing the foundations on which they can be met.

We will invest in people, and ensure that businesses can access the highly skilled workforce they want by setting up our National Education Service, allowing everyone to upskill and retrain at any point in life.

We will harness the £200 billion the Government spends in the private sector each year, to promote responsible businesses.

We will direct public money back into local economies, so that local pounds create local jobs.

We will take action to reverse the offshoring, seen in recent decades, by bringing supply chains, and good jobs, back to the UK.

But we will do so by highlighting and extending Britain's strengths, because we know that we can't win a race to the bottom on wages and conditions.

Labour will also take action on excessive energy prices, which put our industries at a disadvantage.

Labour will reverse years of under-investment in our infrastructure, investing £250 billion over the next ten years through our National Transformation Fund.

We will introduce a Universal Service Obligation for superfast broadband, at three times the speed promised by the Tories, future proofing the UK economy.

We will transform our transport system across all our regions and nations. Here in Yorkshire, we will deliver Crossrail for the north to connect the wonderful northern cities.

But it's not just in terms of public sector investment that Britain has been falling behind – businesses need help to invest more too.

That's why Labour will set up a National Investment Bank to fill gaps in lending to the private sector, and provide the patient, long-term finance businesses need to grow and prosper.

Finally, our industrial strategy will have a strong sectoral element.

As the work of economist Ha-Joon Chang has shown, the strongest industrial economies in the world – Germany, South Korea, Japan – got to where they are today because their governments nurtured, and supported, key sectors as they grew.

A Labour Government will do the same; breaking with the failed ideologies of the past and learning from the world's best, by supporting sectors in which Britain is already a world leader and cultivating new strengths.

We will set up sector councils for each strategic sector – modelled on the highly successful Automotive Council – to bring together government, employers and workers and their trade unions as part of a new era of economic cooperation.

Through collaborative effort between Government and industry, Labour will create the winners of the future.

We will make sure that Britain is viewed by the world as a symbol of innovative and industrial excellence.

We will produce a million high quality, high-skilled and high paid jobs.

We will deliver economic growth to every region and every nation.

Quite simply, Labour will build an economy that works for the many and not the few.

Jeremy Corbyn speech

Jeremy Corbyn, Leader of the Labour Party, speaking at an event at York Science Park today, said:

*****CHECK AGAINST DELIVERY*****

Before going further, I'd like to say a few words about leadership.

Donald Trump's decision to pull the United States out of the Paris climate change deal is reckless and dangerous.

The commitments made in Paris are vital to stop the world reaching the point of no return on climate change, and there can be no question of watering them down.

The Paris deal should not be up for renegotiation. The other three European members of the G7, France, Germany and Italy, have written to Donald Trump to make this clear.

So why does Theresa May not have her name on this joint statement?

Given the chance to present a united front with our international partners, she has instead opted for silence and subservience to Donald Trump. It is a dereliction of her duty both to our country and to our planet.

That is not the type of leadership Britain needs to negotiate Brexit.

I am delighted to be in York today for the launch of Labour's industrial strategy with our Shadow Industrial Strategy Minister, Chi Onwurah, and our Shadow Business Secretary, Rebecca Long-Bailey.

They have done an outstanding job in setting out this serious,

comprehensive, and radical industrial strategy. A blueprint for a Britain in which no one is held back and in which every region and nation thrives.

Chi and Rebecca are building on the achievements of the last Labour Government whose intervention in 2009 not only saved our automotive sector, but laid the groundwork for it to become one of the crown jewels of Britain's economy.

We will embrace new technology to upgrade our economy, create new good jobs and tackle climate change.

At the heart of our industrial strategy is our plan to modernise our energy system to be 60 per cent renewable by 2030.

I am proud of the work Chi, Rebecca and my party have done, and I am particularly proud that all those who have been centrally involved in our industrial strategy have been two women.

In the course of this campaign, I have travelled the length and breadth of the country, setting out the many ways in which a Labour Government would change this country for the better.

On those travels, I have seen an economy that is grossly imbalanced.

Talk to people and you understand the consequences of this problem.

London overheats, and the cost of living there rises while communities in too much of the rest of the country have seen their local economies hollowed out, industries decline and stable jobs go.

Right across our country, too many people are trapped in precarious, low paid work while a few at the top get richer.

Despite Britain's many strengths, we are not realising our full potential, failing to harness the talent of every region and nation.

This is why the policies we are setting out today are among the most important of all in our programme to transform Britain.

Because today is not just about giving people a fairer share of our country's wealth.

Today is about tackling the injustices of our society at their root cause, and rewriting the rules of our economy for the many rather than the few.

No more can Britain try to sustain its economy on the back of growth in the financial sector in one corner of England.

Today, we set out a bold vision for a different Britain, a Britain in which work not only pays, but gives people a sense of pride and purpose.

In which every individual shares in the creation of wealth as well as sharing in its rewards.

A Britain in which every community, in every corner of the country, is built on the firm foundation of a vibrant local economy.

Only Labour will deliver policies that match the scale of our ambition. Investing to create a million good jobs; investing in the skills of our workforce; and working with industry to create the winners of the future.

And it is now my pleasure to hand over to our Shadow Business Secretary to tell you more.

Labour will create a million good jobs and drive growth across Britain

Labour will create an engine of investment and growth in Britain's economy and drive a major expansion in good quality jobs that will benefit every region and nation of the UK.

At least a million good jobs will be created under a Labour Government to rebuild communities that have been left behind, transforming our economy into one that works for the many, not the few.

Jeremy Corbyn, Leader of the Labour Party, and Rebecca Long-Bailey, Labour's Shadow Business Secretary, will set out how Labour's plans for jobs and wealth creation will unleash the untapped potential of every part of the country at an event at York Science Park on Friday 2 June.

The Conservatives have failed to give our regions, industries, businesses and workers the support they need, leaving Britain with deep-rooted economic problems which are holding Britain back.

Labour's National Transformation Fund, National Investment Bank and network of Regional Development Banks, will provide the engine Britain's economy needs to drive investment in the infrastructure and green and cutting edge industries of the future – creating jobs, developing skills and providing support for small and medium businesses in every region.

Jeremy Corbyn, Leader of the Labour Party, said:

“When Labour talks about job creation we mean decent jobs, jobs which pay a real living wage, which people can get by on, and which give people a sense of pride and purpose.

“Labour will invest to drive growth across the whole of Britain, creating wealth which is shared across our country, rather than concentrated in the hands of the few. Labour will ensure people are not held back. We will build an economy where everyone shares in the creation of wealth as well as its distribution.

“Under the Conservatives, the richest have got richer, while most people’s incomes have fallen or stagnated. Labour’s plans will make sure everyone shares in our country’s wealth.”

Labour’s Shadow Business Secretary, Rebecca Long-Bailey, said:

“Unlike the Conservatives, Labour will make full use of all policy levers to drive growth and economic development, working in partnership with the private sector and trade unions to rebalance our economy so that it serves the many, not just the few.

“Labour’s industrial strategy will have real muscle, powered by our National Transformation Fund and £250bn of investment from our new National Investment Bank and network of Regional Development Banks.

“We will deliver a million good jobs over the course of the next Parliament.”