

The biggest risk to the UK economy is Theresa May's Government – John McDonnell

John

McDonnell MP, Labour's Shadow Chancellor, commenting on the Office for Budget Responsibility's (OBR) Fiscal Risks report this morning, said:

"The

Tories want to blame Brexit for their failures on the economy, but what this report really reveals is that one of the biggest risks to our economy is Theresa May's weak government, and the last seven years of Tory economic failure.

"Given

recent poor economic news, showing a lost decade of productivity growth and falling real earnings, the risks highlighted today by the OBR of slower productivity growth, a persistent current account deficit, high level of household debt, and weak business investment are extremely worrying.

"The

OBR have today put the final nail in the coffin of Tory economic credibility. They have confirmed health spending has been falling under the Tories, social care is in crisis and local authority budgets have been stripped to the bone. Rather than invest in our public services, the OBR notes this government's shambolic 'periodic policy reversals' while at the same time giving away billions in tax breaks to the super rich.

"It

is a dereliction of duty of this government that the OBR can claim that after seven years of austerity, the British economy, and working people, are less prepared for the 50/50 risk of a recession in the next five years.

"Only

a Labour Government will negotiate a sensible jobs-first Brexit which does not risk long-term damage to our economy and has set out a serious plan for the public finances. Labour's strategic investment will be underpinned by our Fiscal Credibility Rule, to help build the high wage, high skill economy of the future for the many not the few."