

# New tax gap figure

**John McDonnell MP, Labour's Shadow Chancellor**, commenting on HMRC figures showing that the 2017/18 tax gap was £35 billion, said:

"The tax gap is another reminder of the scale of tax evasion in this country under a Tory Government – and it is likely to be an underestimate since it does not capture much tax avoidance or profit-shifting.

"But the gap is also the product of the Government's savage cuts to HMRC, which have deskilled and undermined a key part of the civil service.

"A Labour Government will be uncompromising in tackling tax avoidance and evasion, and will implement a comprehensive policy programme to achieve this aim."

Ends

## **Notes to Editors**

- HMRC has today released figures estimating that the tax gap – "the difference between the amount of tax that should, in theory, be paid to HMRC, and what is actually paid" – is £35 billion. HMRC accepts that the tax gap is a product of miscalculations, as well as "legal interpretation, evasion, avoidance and criminal attacks". This amounts to 5.6% of total theoretical tax liabilities, an increase of 0.1% from the last figure released in 2016-2017. See [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/810119/Measuring\\_tax\\_gaps\\_2019\\_edition.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810119/Measuring_tax_gaps_2019_edition.pdf).
- Labour's Tax Transparency and Enforcement Programme (2017) is available here: <https://labour.org.uk/wp-content/uploads/2017/10/Tax-transparency-programme.pdf>. This includes a General Anti-Avoidance Rule and a suite of other measures to tackle avoidance and evasion.
- HMRC had 104,000 staff in 2006, and had approximately 60,000 by 2019 (figures from the Public and Commercial Services Union). It is estimated by PCS that 17,000 years of experience were lost to HMRC from

redundancies in 2017.

- Labour's 2017 manifesto committing to giving HMRC "the resources and skills necessary to clamp down hard on those unscrupulous few individuals and companies who seek to avoid the responsibilities that the rest of us meet":

<https://labour.org.uk/wp-content/uploads/2017/10/labour-manifesto-2017.pdf>.

- Labour also costed the hiring of "more tax collection staff":

<http://labour.org.uk/wp-content/uploads/2017/10/Funding-Britains-Future.pdf>

---

## **Mohammed Morsi's death should be subject to a transparent and open investigation – Fabian Hamilton**

**Fabian Hamilton MP, Labour's Shadow Minister for Foreign Affairs**, commenting on the death of former Egyptian President Mohammed Morsi, said:

"Mohammed Morsi's death should be subject to a transparent and open investigation.

"Anybody found responsible for the death of a previously elected head of state must be held accountable and brought to justice. It is unacceptable that the British government and the Foreign Secretary haven't pressed the Egyptian authorities to fully investigate his death. Meanwhile, successive Conservative governments continue to welcome President Sisi with open arms, despite his extremely poor human rights record. Tens of thousands of political prisoners continue to languish in Egyptian prisons, often in appalling conditions.

"Labour urges the Foreign Secretary to call upon the Egyptian government to work closely with the United Nations establishing the circumstances surrounding Morsi's sudden and unexpected death."

---

## Government must get its house in order on climate change – Rebecca Long-Bailey MP

Rebecca Long-Bailey MP, Labour's shadow business secretary, responding to news that the UK and Italian governments are presenting a proposal to jointly assume the Presidency of the 26th Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change, said:

"While Labour welcomes efforts to bring the climate conference to the UK, the government should start by getting its own house in order.

"The government must acknowledge just how disastrous Conservative policies have been for renewable energy in the UK, and take the steps needed to get the UK back on track to meeting its own climate targets."

---

## Reversal of infant mortality rates is heart-breaking – Jonathan Ashworth

**Jonathan Ashworth MP, Labour's Shadow Health and Social Care Secretary,** responding to new ONS figures which shows that infant mortality has risen, said:

"The continued reversal of infant mortality rates is heart-breaking and must prompt serious action from ministers.

"We urgently need to tackle all factors influencing this, an important first step would be to halt swingeing cuts to public health and early years services by this Tory government.

“Ministers can’t ignore the fundamental truth that rising child poverty, deprivation and severe inequality betray our children and worsen health outcomes. Narrowing health inequalities and improving the health and wellbeing of every child will be an explicit aim of the next Labour government.”

---

## [Rebecca Long Bailey responds to Unison report on the Big Six](#)

**Rebecca Long Bailey MP, Labour’s Shadow Business Secretary**, responding to Unison’s report calling for the Big Six energy companies to be brought into public ownership, said:

“The energy supply market has led to broken trust and spiralling costs for households and businesses, and a failure to invest in the energy workers who will be needed to make our homes more energy efficient, and the electricity and heat we use lower carbon.

“Radical reform is needed, and I welcome this exciting publication as a contribution to the debate on public ownership.”