



**UK Independence Party**

# **Britain must be a triple-A nation**

Speech to UKIP's Northwest Rally  
on 6<sup>th</sup> July, 2013, in Liverpool,  
by Tim Congdon CBE  
– UKIP Economics Spokesman

# The borrowers

How much did they borrow each year of their Chancellorship?



**Sir Geoffrey Howe**

- **£11.3 billion**



**Nigel Lawson**

- **£8.1 billion**



**Norman Lamont**

- **£24.4 billion**



**Kenneth Clarke**

- **£37.8 billion**



**Gordon Brown**

- **£19.4 billion**

# The spendthrifts

How much did they  
borrow each year of  
their Chancellorship?



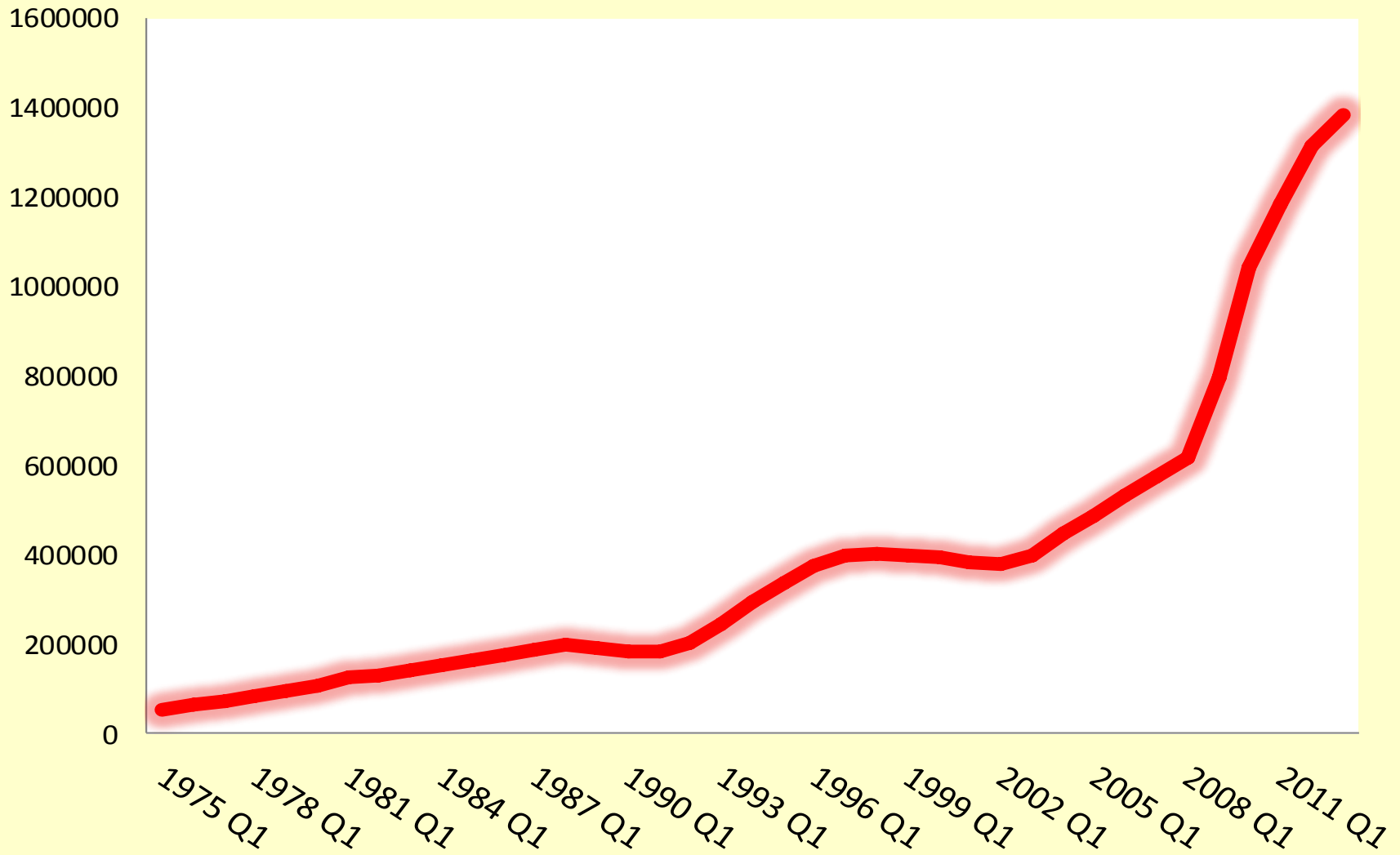
**£167.9 billion**



**£111.6 billion**

# The British national debt, 1975 - 2012

- *General government gross debt in £m.*



*From the* **FINANCIAL TIMES**  
*of 22<sup>nd</sup> February 2013*

# UK loses triple A credit rating

By Vivianne Rodrigues and Stephen Foley in New York

Moody's Investors' Service stripped the UK of its triple A credit rating, saying sluggish economic growth and **austerity will continue to affect the government's finances** into the second half of the decade.

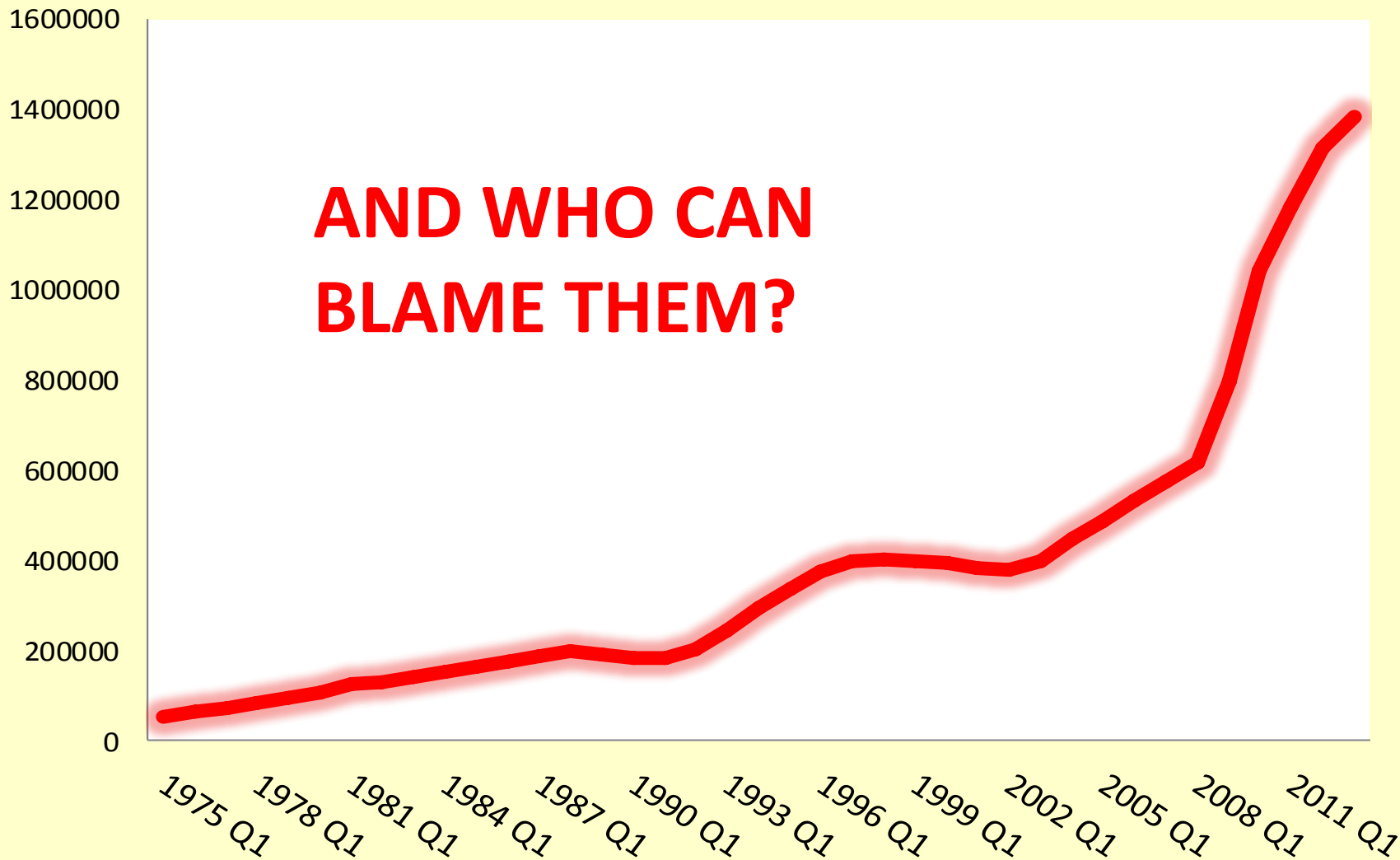
*From **theguardian** of 19<sup>th</sup> April 2013*

## **Fitch strips UK of triple-A credit rating**

Agency cites weaker economic and fiscal outlook for move – described by Ed Balls as 'another humiliating blow'

# The British national debt, 1975 - 2012

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**Labour is to blame for  
causing the mess**

**The Conservatives are to  
blame for not sorting out  
the mess they inherited**



A national debt of almost £1,400 billion means that the British government has incurred debt for each household of over £50,000.

Interest has to be paid on that debt - and the British public has to pay tax in order to cover the debt interest. The more debt, the more debt interest and the more tax.

How should we describe our  
**Conservative** Chancellor of the Exchequer?

**‘The £100-billion-a-year man’**



How should we describe our  
**Conservative** Chancellor of the Exchequer?

**‘The £100-billion-a-year man’**

*With 26 million households in the UK, that means that every household is running £4,000 a year **more** into debt because of George Osborne’s budget deficit.*

# What does UKIP want?

- A return to a balanced budget within the lifetime of the next Parliament (i.e., by 2020),
- **We are the sound finance party,** and
- Britain must be **a triple-A nation.**

# How is the deficit to be reduced?

- Maintaining unremitting control of public expenditure, including **the prevention of waste and unnecessary infrastructure projects (such as HS2)**, and
- Pursuing public sector efficiency, so that spending is **on frontline services**, not the administrative overhead.

Of course – but UKIP has two ‘unique selling points’ over the three old parties.

# How is the deficit to be reduced?

The first unique selling point is that we want Britain out of the European Union, **and that means we would save at least £12b. a year by cancelling our EU contribution.**

# How is the deficit to be reduced?

The second unique selling point is that, by leaving the EU, we would liberate business – small and large – from the EU regulatory burden. **The businesses destroyed by EU regulation would come back, employment and output would grow faster, and tax revenues would therefore be stronger.**

## A UKIP policy to balance the budget over five years

**Savings in £ billions**

Leaving the EU, saving on our contribution,  
and reducing foreign aid - (Over 1% of GDP)

**20**

Tax revenue from faster trend growth of the  
economy as businesses destroyed by the EU  
return and pay taxes (3% increase in trend output, extra tax 1.2% of GDP)

**20**

Maintaining tight expenditure control,  
avoiding waste and unnecessary infrastructure projects  
(1 1/2% of GDP)

**25**

Cyclical recovery of the economy, boosting  
tax revenues and reducing benefits  
(2% above-trend growth, extra tax of 0.8% of GDP)

**14**

**Total**

**79**



# What does UKIP want?

- A return to a balanced budget within the lifetime of the next Parliament (i.e., by 2020),
- **It can be done and it must be done. *UKIP is the only party that cares about Britain.***

# What does UKIP want?

- **UKIP, not the Conservative Party, not Labour, is the party of balanced budgets and sound finance, and**
- **Britain must be a triple-A nation.**



**UK Independence Party**

