

Post-Brexit Economy



Dear Colleagues,

Paper 3/2019: Post-Brexit Economy

This discussion paper is looking at the Post-Brexit Economy.

As always, discussions will be more greatly informed if groups are able to include members and non-members from different age groups. Please use the opportunity of this discussion to **reach out to new voters in your constituency**. Let people know that you are interested in *them* and want to understand *their* perspective.

We want to ensure that as many associations and as many members are able to engage in this vital and wide-ranging discussion. The closing date for this brief is therefore **31 August**.

Please send your responses to the paper, via CPF.Papers@conservatives.com, using the associated response form published alongside this paper in the News section of the CPF website.

A summary of responses to this paper will be sent to the Rt Hon Philip Hammond MP, Chancellor of the Exchequer; CPF Chairman, George Freeman MP; and the Prime Minister's Policy Unit within a month of the closing date for submissions.

The next paper will be on **Under-18s Education** and will be published the week of 2nd September. Thank you. We look forward to hearing your ideas on this important topic.

The CPF Team

John Hayward **Flick Drummond** **Andrew Sharpe** **George Freeman**
CPF Manager Voluntary Director Vice-Chairman Chairman
www.conservativepolicyforum.com
[@ConservativePF](https://twitter.com/ConservativePF)

P.S. To help generate interest and awareness, please advertise your local discussion and post a photo of your meeting on your website and social media pages.

Context and Questions

"My beliefs when I first became an MP are the same things that drive me 22 years later as Chancellor of the Exchequer. A belief in the market economy as the best, indeed, the only way to deliver future prosperity for the British people. A belief in Britain as an open, tolerant, outward-looking nation, confident and competitive in the world. And above all, a belief in the power of business – that self-starters, entrepreneurs, investors are the engine of our economy, and the bedrock of our communities."

(Rt Hon Philip Hammond MP, 22 March 2019)¹

Post-Brexit Economy

By the end of October, seven months later than originally expected, the UK will have left the European Union, in accordance with the result of the 2016 referendum.

From our first policy discussion this year, on Global Britain, it was clear that Members believe our nation's future prosperity primarily requires the Conservative Party to champion an optimistic vision of free trade; and that the biggest contribution we can make to international development and democracy is through free trade. This builds on the conclusions of our discussion after the last general election, through which Members identified the top three Conservative values as responsibility, enterprise and freedom. A UCL survey indicates that the question of sovereignty is important to three-in-five voters (58%).²

In other recent discussions, we have asked how we should fund the costs of specific areas such as university education and adult social care. In this paper we turn to broader questions of the domestic economy.

The Party remains committed to delivering lower taxes for ordinary, working people, with no return to the uncontrolled borrowing of the past. Yet, as the PM has said, while "debt as a share of the economy will continue to go down, support for public services will go up."³

Questions for discussion

1. How do we change the focus of debate from Brexit to other concerns that matter to the wider electorate?
2. What should a fair Conservative tax offer look like? How should public services be fairly funded? Which services should be funded purely by local communities?
3. How many in your group think the government should increase spending on public services, even if that means higher taxes or more borrowing? How many disagree?
4. Given our Party's commitment to delivering lower taxes for ordinary, working people:
(i) What specific taxes would you abolish or simplify? (ii) What taxes would those who want increased spending on services be prepared to see government raise?

Optional bonus questions

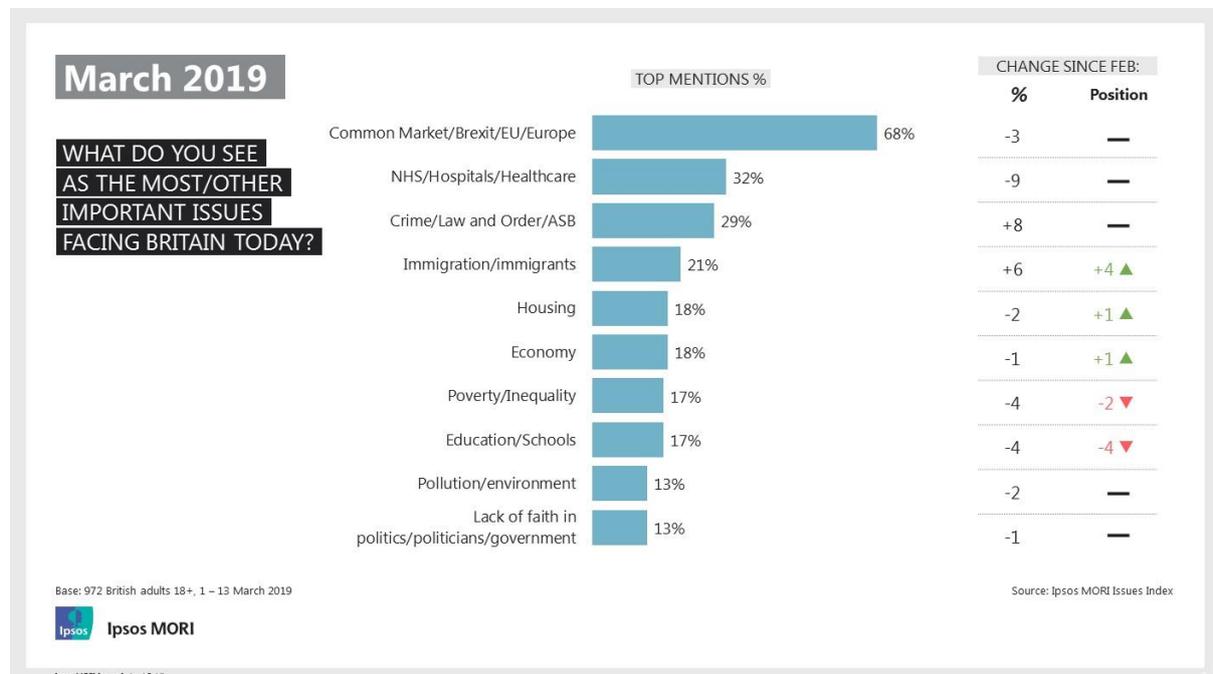
5. What further policies should we pursue to boost investment in infrastructure, skills and industry?
6. What investment in roads, rail, fibre and other infrastructure should we prioritise?
7. What should we do to make the UK the best place to build a tech business?
8. What should we do to maintain the UK's leadership in Financial Services?
9. What should we do to boost our exports and our attractiveness as a destination for Foreign Direct Investment?
10. Is there any other question you think should have been asked or observation you would like to make?

Appendix: Facts and Figures

- Desired Brexit outcome seems to depend on voters' priorities for the country overall: above all, how important sovereignty is to them. By asking people to rank 13 challenges facing the UK over the next five years, four main types of voter have been identified, where each type has distinct sets of priorities:²

Top priorities of the main voter types	Main differences between them
<p>Left wing (33% of population): reducing inequality between people & regions; housing; jobs; public services</p> <p>Lib Dem like (9% of population): the economy; maintaining the union; public services; jobs; housing</p> <p>Sovereignty liberals (25% of population): the economy; independent trade deals; UK control over its laws; jobs; housing; public services</p> <p>Sovereignty conservatives (33% of population): UK control over its laws; independent trade deals; the economy; controlling immigration; jobs; British public services</p>	<p>The biggest differences between left wing and "Lib Dem" like voters is that Lib Dem like voters care much more about the economy.</p> <p>The biggest difference between Lib Dem like and sovereignty liberals is that the latter care about sovereignty.</p> <p>The biggest difference between sovereignty liberals and sovereignty conservatives is that the latter care a lot about immigration</p>

- While public concern about Brexit remains at historically high levels, the NHS continues as the second-biggest worry for Britons and concern about crime has risen to its highest level since the riots in England in 2011.⁴



What Our Manifesto Said

A STRONG ECONOMY THAT WORKS FOR EVERYONE (p.12)⁵

Theresa May's Conservatives will deliver

- A strong economy built on sound public finances, low taxes, better regulation and free trade deals with markets around the world.
- A new deal for ordinary, working people giving them a decent living wage and new rights and protections in the workplace.
- Fairer corporate governance, built on new rules for takeovers, executive pay and worker representation on company boards.
- Growth across the country through our modern industrial strategy and major investment in infrastructure, skills and research and development.
- Competitive and affordable energy costs following a new independent review into the cost of energy.
- Prosperous towns and cities, underpinned by strong local institutions, the relocation of government functions, and shared cultural assets across the country.

Endnotes

¹ *Annual Asian Business Awards 2019: Chancellor's speech*, HM Treasury, 22 March 2019, [link](#)

² *Polling analysis: The full extent of Britain's division brutally revealed*, Politics.co.uk, 15 April 2019, [link](#)

³ *Prime Minister: Our future is in our hands*, Conservative Press Archive, 3 October 2018, [link](#)

⁴ *Concern about crime and immigration increase, while worry about Brexit remains high*, Ipsos Mori, 29 March 2019, [link](#)

⁵ For further details, see *The Conservative and Unionist Party Manifesto 2017*, [link](#)