

Hunt: I'm Scrooge with a plan to save Christmas by beating evil inflation

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[Jeremy Hunt](#) has declared he is “Scrooge” out to save Christmas as he warned of “horrible decisions” on tax and spending to crack down on inflation and restore stability to shorten a recession he said was made in Russia.

The Chancellor has promised a “rabbit-free budget” prioritising “honesty” and “sound money”, whereby people with the broadest shoulders will bear the brunt of rising costs to help balance the books.

Insisting the British public want the [Tories](#) to be trustworthy rather than “popular”, he said the hope for the week ahead is to deliver “certainty” to families and businesses that the [Government](#) has a plan to stabilise the economy.

“That will be job done, as far as Thursday is concerned,” the Chancellor said.

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Mr Hunt is thought to be considering a range of means to address a so-called black hole in the public finances.

The phrase is disputed, as it depends on the strategy used to tackle the undeniably bleak financial picture.

The measures on the table include an extended freeze in thresholds and personal allowances on income tax, national insurance, VAT, inheritance tax and pensions, according to the Sunday Times.

In an interview with the newspaper, Mr Hunt said the “tragedy” of Trussonomics was that both the former PM and her chancellor had the right idea about boosting growth.

But he said it was a “mistake” to act without showing “we can pay our way as a country”, adding that he will “put people ahead of ideology”.

The disastrous mini-budget may have cost the country as much as £30 billion, according to the Resolution Foundation, potentially doubling the task at hand for the Chancellor, as he seeks up to £60 billion in savings and extra revenue.

The think tank’s economists estimate that [Liz Truss](#) and Kwasi Kwarteng blew £20 billion on unfunded cuts to national insurance and stamp duty, with a further £10 billion lost to higher interest rates and Government borrowing costs, The Observer reported.

Mr Hunt suggested he will not be pulling any rabbits out of the hat when he delivers his highly anticipated autumn statement next week, unlike his predecessor – who dramatically whipped out a cut to the top rate of income tax in his ill-fated “fiscal event”.

“I think it is fair to say this is going to be the first rabbit-free budget for very many years,” the Chancellor told the Sunday Times.

"I'm sorry to disappoint but no, this is not going to be a time for rabbits I'm afraid."

He warned people can expect some "very horrible decisions" as part of a bid to "get us back into the place where we are the fantastic country that we all want to be".

"I'm [Scrooge](#) who's going to do things that make sure Christmas is never cancelled," he declared.

Mr Hunt said he thinks an official recession is "likely" after GDP shrank by 0.2% between July and September.

"The question is not really whether we're in recession, but what we can do to make it shorter and shallower," he added.

He insisted the "number one thing" he can do on Thursday is help tackle sky-high inflation.

"If we can, with the Bank of England, control inflation, then we will be able to contain the global rise in interest rates, contain the rises in mortgage rates that people are seeing, contain the cost of loans that businesses borrow, and have a chance of getting back on track," he said.

"But that stability is what has been missing – mainly thanks to (Vladimir) Putin's invasion of Ukraine. This is a 'made in Russia' recession and we need to restore that stability as the first step to growth."

He also made the case for "honest money" and "honest politicians".

"For Conservatives, we all understand that a successful economy, a dynamic economy, needs to have low taxes and sound money," he said.

"But sound money has to come first and, you know, Margaret Thatcher said there's nothing moral about spending money you don't have."

Mr Hunt said Ms Truss and Mr Kwateng were “absolutely right” that the UK will have to “unlock the growth paradox” if it is to pay for the NHS and good public services.

“That insight is absolutely correct and I will spend as much time talking about growth as I’m talking about tax rises and spending cuts on Thursday, because it is really important that we address those issues,” he said.

“But it was a mistake to do so without the OBR forecasts that showed that we can pay our way as a country.”

In a sign of what is to come on Thursday, Mr Hunt said “people with the broadest shoulders will bear the heaviest burden”.

It is understood a cut to the threshold at which the highest earners start paying the top rate of tax is among the options on the table.

But he indicated a wider cohort will eventually be hit by a hike in energy costs, as the Government cannot afford to take the sting out of their bills forever.

“We have to be honest with people – it’s not possible to subsidise people’s energy bills indefinitely,” he said.

The Sunday Times said average costs are expected to rise for most households when the initial phase of the energy price guarantee comes to an end in the spring.

But it suggested the Chancellor is looking at a package of support to shield the most vulnerable, including pensioners and those on benefits, from April.