

Rishi Sunak reaction: Business responds to the Chancellor's Tory party conference speech

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[Rishi Sunak](#) won backing from lobby groups for big business today as he set out his vision for the [UK economy](#).

But small firms say his tax rises are risk to economic recovery.

[At his first in-person speech to the Conservative Party conference](#), the [Chancellor](#) pledged he would “do whatever I can to protect people’s livelihoods and create new opportunities”.

There has been some strain between the Tories and big business of late, ever since [Boris Johnson](#) was heard to remark “f*** business” in relation to the Brexit vote.

Lately there are some signs it has been winning them back, despite huge government spending and tax rises, policies big business is often against.

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Tony Danker, CBI Director-General, said: "Business shares the Chancellor's ambitious vision for a high-growth economy driven by science, technology and innovation."

Sunak said: "I want tax cuts but in order to do that our public finances must be put back on a sustainable footing."

Excessive borrowing is "immoral" he claimed. "We need to fix our public finances," he told conference.

He added that Brexit will be worth it in the long-run, despite recent supply chain issues. And he confirmed plans for a £500 million increase in spending on employment programmes.

There will also be 2000 artificial intelligence scholarships to boost the UK's tech sector.

Worries about inflation and staff shortages are growing, however, with business people saying it is impossible to get enough new employees with the right skills.

Mike Cherry of the Federation of Small Businesses said:

"Small firms and the self-employed are coming up against unprecedented strain with the cost of doing business rising ever higher, and they were hoping for more on this from the Chancellor today. On top of upcoming hikes in National Insurance Contributions (NICs) and dividends, small businesses are being hit by disruption to supply chains and increasing costs taking away working capital that businesses would use to grow, invest and create jobs.

"Rishi Sunak says Conservatives want to be the party of business, but ambition is not enough – small firms need to see action. While it's good to see some practical changes being announced by the Chancellor to get people back into work after

the end of the furlough scheme, there needs to be far more focus on helping employers actually create jobs.”

Shevaun Haviland, Director General of the British Chambers of Commerce, said:

“Businesses support fiscal responsibility, but decisions should be based on economics, not politics. Ultimately, it is businesses as wealth creators which generate prosperity, create jobs and support communities.

“The Chancellor’s ambition is to be applauded but details, as ever, matter. The focus should be on creating the best possible environment for businesses to grow and thrive so they can sustainably deliver the tax revenue needed to return our public finances to a sustainable path.”

Danker added: “The Chancellor’s emphasis on equipping young people for the world of work, from the Kickstart scheme to new AI scholarships, as well as helping people retrain for the jobs of the future, is the right approach.

“The only way to achieve the high-wage, high-skill economy we all want is to unlock productivity through higher investment and growth. All must rise together to avoid a further squeeze on living standards and to realise a better decade than the last.”

In the City, David Buik of Acquis Exchange said: “Chancellor Sunak sounded very like Gordon Brown did in 1998 – Prudence was his buzz word then, and so it is for the Chancellor today. With over £500 billion of borrowing last year and for this coming year, tax rises were of paramount importance to maintain fiscal discipline, even though they are rather unconventional Tory policies. Sunak was the darling of the party for 2 years. The forthcoming spending review and Budget will tell us whether he still retains the affections of his party.”