

A strong economy to help you and your family

Our commitment to you:

Your job, your home, the mortgage you pay, the school your children go to, your local hospital, your pension – all these things depend on a strong economy. So we will carry on working through our long-term economic plan. We will:

- *keep our economy secure by **running a surplus so that we start paying down our debts***
- ***increase the tax-free Personal Allowance to £12,500 and the 40p Income Tax threshold to £50,000***
- *commit to **no increases in VAT, National Insurance contributions or Income Tax***
- ***crack down on tax evasion and aggressive tax avoidance and ensure those who can afford to pay the most do***
- *rebalance our economy, **build a Northern Powerhouse** and back elected metro mayors*
- *pursue our ambition to **become the most prosperous major economy in the world by the 2030s.***

Our long-term economic plan is turning around Britain's economy. Five years ago, Britain was reeling from the chaos of Labour's Great Recession; in 2014 we were the fastest growing of all the major advanced economies – last year, we grew 75 per cent faster than Germany, three times faster than the Eurozone and seven times faster than France. Five years ago, the budget deficit was more than 10 per cent of GDP, the highest in our peacetime history, and the national debt was rising out of control; today, the deficit is half that level and debt as a share of national income will start falling this financial year.

The fastest growing of all the major advanced economies in 2014

Industries are coming back to life. Companies are striding into new markets. Manufacturers are returning to our shores. More tech companies are starting up here than anywhere else in Europe. We have overtaken France as the third largest car producer in Europe and there are 760,000 more businesses than in 2010 providing jobs and creating wealth across the country.

The Great Recession has given way to a Great Revival, which is creating on average 1,000 new jobs every day: more than the rest of the European Union combined. This is no accident. It is the product of hard work by people in every part of the country and it is thanks to the success of our long-term economic plan. By halving the deficit, we have helped to restore confidence to the economy. By maintaining fiscal discipline, we have helped keep mortgage rates lower than they otherwise would be. And by establishing the independent Office for Budget Responsibility (OBR), we have ended – permanently – the ability of politicians to cook the books for political gain at the nation's expense. With inflation at a record low, the latest OBR forecasts show that living standards will be higher in 2015 than in 2010, and are set to grow strongly every year for the rest of the decade, with the average family £900 better off. It is only by securing the recovery, dealing with our debts and creating jobs that we can continue to raise living standards. That means sticking to our long-term economic plan; Britain is on the right path.

But the job is not finished. There are clouds on the international horizon. Huge challenges remain at home. We have cut the record deficit we inherited to five per cent of GDP, but that is still too high. Our trade with emerging economies is up, with exports to China more than doubled since 2009, but overall we are still too