

We will:

- ♦ Continue to support an independent Bank of England, with a mandate to keep inflation low and stable to support sustainable growth. We will protect the new regulatory framework, which ensures the Bank of England has the necessary tools to help avoid a return to boom and bust.
- ♦ Continue to reform business tax to ensure it stays competitive, making small and medium-sized enterprises the priority for any business tax cuts. We will work to adjust the tax system away from subsidy of high leverage debt and tackle the bias against equity investment.
- ♦ Reform and improve the Regulatory Policy Committee to reduce regulatory uncertainty and remove unnecessary business regulation. We understand that well-designed regulation, focused on outcomes rather than processes, has a vital role in creating markets and driving investment and will use it, in particular, to promote low-carbon and resource-efficient innovation.

In England we will complete the ongoing review of Business Rates, prioritising reforms that lessen the burden on smaller businesses, ensure high streets remain competitive and promote more efficient use of land. Liberal Democrats remain committed to introducing Land Value Tax (LVT), which would replace Business Rates in the longer term and could enable the reduction or abolition of other taxes. We will extend the Business Rates review to ensure it considers the implementation of LVT, as well as interim reforms like Site Value Rating that could be completed within five years. We will charge the Land Registry with completing registration of all substantial land and property holdings in England and Wales by 2020.

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## 2.4 Green jobs and industry

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New world markets are developing in low-carbon and resource-efficient technologies. Britain's real strengths in sectors like offshore wind power and low-carbon vehicles, and in green finance, make us well placed to compete.

We must make sure green industries can reach their full potential and build on successes in increasing recycling to shift towards a so-called 'circular economy' in which we use natural resources efficiently and minimise waste. (See also Section 6.2)

We will:

- ♦ Pass a Zero Carbon Britain Act to set a new legally binding target