

# Green Party urges Chancellor to make polluters pay in Spring Budget



1 March 2021

- **Jonathan Bartley: “The Chancellor has an opportunity this week to show how seriously the UK government takes its position as chair of COP26”**

The Green Party has urged the Chancellor to use this week’s Spring Budget to show the level of ambition required as chair of COP26 and make sure the biggest polluters pay for the carbon they emit at great cost to us all.

Ahead of Rishi Sunak’s Budget announcement on Wednesday (3 March), the Greens have put forward their proposals to shift the economy towards more urgent climate action while also ensuring support is provided to those who are suffering the most during the Covid crisis. [1]

Central to these plans is an upstream carbon tax which would see the biggest polluters pay the most for CO2 emissions at source, with the money raised paid out to those in society who need it most.

Green Party co-leader Jonathan Bartley said:

“We know the climate emergency is here and we know we need to drive down emissions as quickly as possible if we are to have any hope of avoiding catastrophic climate change.

“The Chancellor has an opportunity this week to show how seriously the UK government takes its position as chair of COP26 and to start pulling some powerful economic levers to create a shift away from fossil fuels and towards a cleaner, healthier future for us all.

“A carbon tax is the fastest and most efficient way to put a high and rising price on carbon, signalling to markets that we are serious about rapid progress towards net zero.

“We need a huge shift away from business as usual and towards the kinds of policies that will improve life for everybody, such as investing in a huge retrofit programme to make sure everybody has a warm home and investing in cheap and accessible public transport to help dramatically reduce car miles.”

The Green Party’s proposals for the Spring Budget includes:

- A carbon tax of £100 per tonne of carbon dioxide rising to £500 by 2030 on fossil fuel companies, applied to all emissions, with some of the tax yield used to compensate those on lower incomes
- Reverse the VAT incentive on construction away from new build and towards renovation, with a reduced 5% rate of VAT on retrofit and low-energy products [2]

- A Universal Basic Income, without conditions, to protect people against ongoing turbulence from Covid
- Make the £20 Universal Credit uplift permanent as a first step on the path towards a full review of the resilience of our welfare system, whose weakness – especially on sick pay – was exposed during the crisis
- Transfer the £27bn destined for unnecessary and polluting road-building towards investment in cheap and accessible public transport and active travel options
- Extend the business rate holiday and VAT exemption for as long as is necessary for the retail, hospitality and leisure sectors with the UK government providing compensation to local authorities for loss of income

Green Party finance spokesperson Molly Scott Cato said:

“We are calling on the Chancellor to commit to a carbon tax on the scale required to live up to the promises of global climate leadership made by the Prime Minister. This would place him in a strong position to build a coalition for such a policy to be adopted on a global basis at COP26 later this year.

“The rhetoric on climate has strengthened and now is the time for policies to follow suit. Joe Biden’s \$2 trillion climate action plan makes the £3 billion of new money committed by this government look laughable. We need the Chancellor to invest in a Green Recovery on the scale required both to tackle the climate emergency and provide new jobs and training for those who face unemployment as a result of Covid.”

ENDS

## Notes

1

The Green Party’s full Spring Budget proposal is available [here](#)

2

<https://petition.parliament.uk/petitions/573207&sa=D&source=editors&ust=1614617028576000&usg=A0vVaw1zWousKEMeNJY4aPB0ig8K>

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