

2-FPP420

22nd April, 1936.

CHAMBERLAIN'S BUDGET SPEECH.

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L/V Chamberlain at desk. ~~Yes, I do, I feel just that way myself.~~
Each of the four last budgets was a little better than the one before, and I did hope that the fifth was going to outclass all the others. Instead of that --- well, there it is, ---- in an armed, an arming world,

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S/V in an armed, an arming world, we couldn't be the only great country disarmed, we simply had to build our defence forces again, and we had to pay for it --- but we mustn't take it too tragically. All I am asking from the country in the way of new taxation is fifteen millions, ~~although my estimates for defence alone are fifty four millions more this year than they were last.~~

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Near S/V. And there are some compensations, even in this new taxation. There's this great programme of defence which has somehow got to be squeezed into the next few years. It will involve an expenditure of some hundreds of millions of pounds; but it will all be spent in the country, and that means steady employment and good wages for a long time to come. A fair share of it will be bound to penetrate even to those Depressed Areas which are never very far from our thoughts - - - And then again ~~look at the proposals themselves - I am dividing up my fifteen millions in this way. Twelve millions will come out of income tax by the addition of threepence in the pound to the existing four and sixpence, and the tax on tea will be increased by twopence a pound which will give me another three and a half millions. I am making that difficult division because the safety of the country matters to everybody, and therefore I think it is only right that everybody should help according to his means to provide it --- As usual the income tax payer is going to bear the brunt of the loan, but I've been thinking again about that man with the small income and a family who was so hard hit in nineteen hundred and thirty one, and I am going to make two concessions to help him.~~

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C/U. ~~First~~ I am going to put up the marriage allowance by ten pounds, and secondly I am going to raise the allowance to children, from fifty pounds to sixty pounds for each child.* Now, I say, with some confidence, that most of you in this audience who are married and who have a family and pay income tax will find that you are going to gain more out of those two increased allowances than you have lost on the extra threepence . *

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Near S/V. When you come to look at it carefully, it isn't such a bad budget after all.

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Total ~~33~~ sub.

223