

Saturday Morning with Esther and Phil GB News, 11 March 2023, 10:00

Summary

This document sets out Ofcom's Decision on a GB News programme presented by two sitting Conservative MPs, Esther McVey and Philip Davies, who interviewed the Chancellor of the Exchequer, Jeremy Hunt. Ofcom was alerted to this content by 45 complaints about the due impartiality of the programme.

Ofcom investigated under the Broadcasting Code's due impartiality rules. This was a current affairs programme and therefore Rule 5.3 (on politicians presenting news programming) was not engaged. However, when dealing with matters of major political controversy and major matters relating to current public policy, all Ofcom licensees must comply with the heightened special impartiality requirements in the Code. These rules require broadcasters to take additional steps to preserve due impartiality – namely by including and giving due weight to an appropriately wide range of significant views.

The presenters interviewed the Chancellor about the Government's approach to economic and fiscal policies in the context of the forthcoming Spring Budget (which was due to be announced four days after the broadcast of the programme, on 15 March 2023). The interview was pre-recorded and the programme also included a studio discussion and analysis with guest panellists.

Ofcom found that the programme did not include an appropriately wide range of significant views, for example those that either criticised, opposed or put forward policy alternatives to the viewpoints given by the three Conservative Party politicians, on a matter of major political controversy and current public policy.

GB News therefore failed to preserve due impartiality, in breach of Rules 5.11 and 5.12 of the Broadcasting Code.

Ofcom recognises that, in accordance with the right to freedom of expression, broadcasters have freedom to decide the editorial approach of their programmes, including offering their audiences innovative forms of debate.

However, this programme was presented by two sitting MPs from one political party. It featured them interviewing the Chancellor of the same political party about a matter of major political controversy and current public policy. In our view, in these circumstances, the Licensee should have taken additional steps to ensure that due impartiality was preserved.

Type of case	Broadcast Standards
Outcome	In Breach
Service	GB News
Date & time	11 March 2023, 10:00
Category	Due impartiality
Summary	A current affairs programme, presented by two serving Conservative Party MPs and featuring an interview with the Chancellor of the Exchequer, was not duly impartial on a matter of major political controversy and/or a major matter relating to current public policy. In breach of Rules 5.11 and 5.12 of the Broadcasting Code. The content was not news and did not, therefore, engage Rule 5.3 of the Code.

Introduction

GB News is a UK-based channel that broadcasts a range of news content and current affairs programmes. The licence for GB News is held by GB News Limited (“GB News” or “the Licensee”).

Saturday Morning with Esther and Phil is a weekly two-hour discussion programme presented by Esther McVey and Philip Davies (or “the presenters”), two sitting Conservative Party MPs¹.

Ofcom received 45 complaints about the programme *Saturday Morning with Esther and Phil* broadcast on GB News on 11 March 2023 (“the programme”). In summary, the complainants alleged that the programme breached the due impartiality requirements in Section Five of Ofcom’s Broadcasting Code (“the Code”) because two serving Conservative Party MPs were interviewing another serving Conservative Party MP, and Chancellor of the Exchequer (“the Chancellor”), Jeremy Hunt MP². Several complainants were also concerned that the programme breached Rule 5.3 of the Code, which relates to politicians presenting news programmes.

Programme Summary

Saturday Morning with Esther and Phil is a weekly two-hour discussion programme which covers a broad range of topics. This edition of *Saturday Morning with Esther and Phil* contained an interview

¹ Esther McVey is the Conservative Party MP for Tatton. Philip Davies is the Conservative Party MP for Shipley.

² Jeremy Hunt is the Conservative MP for South West Surrey. He holds the UK Government post of Chancellor of the Exchequer.

("the Interview") with the Chancellor, Jeremy Hunt MP, and was broadcast four days ahead of his presentation of the Spring Budget on Wednesday 15 March 2023. The Interview was pre-recorded and broadcast in four segments across the programme, each approximately five minutes in length. Each segment was followed by a studio discussion and analysis. The programme also cut away to three scheduled standalone news bulletins lasting approximately four minutes each. A full transcript of the programme is contained in an Annex.

At the start of the programme, the presenters explained that the Interview would cover several topics including: the level of taxation in the UK and Conservative Government spending; the Conservative Government's support for people in relation to the increase in energy bills amid the ongoing cost of living crisis; and the fallout from the Coronavirus pandemic. The guest panellists in the studio were introduced as "broadcaster and journalist" Michael Crick³ and "columnist" Patrick O'Flynn⁴, who were there "to analyse all of the Interview".

This introduction was followed by a short standalone news bulletin of approximately four minutes that Mr Davies introduced as "but first, here's the morning news with Ray". A GB News title sequence was then played followed by the news bulletin, which was presented by news anchor, Ray Addison, from the "GB Newsroom" in a separate studio from the one where Ms McVey and Mr Davies were presenting their programme. The headline news story included a brief clip of the Interview with Jeremy Hunt, in which he said:

"What we now have is a responsible outlook for public finances. The markets have recognised that (by bringing down mortgage rates, interest rates) and we're on track to bringing inflation down. But if you're saying to me as a Conservative chancellor, do I want to bring down taxes? Well, I want to bring down personal taxes because that is at the heart of what being a Conservative is. But I want to bring down business taxes even more".

The news anchor also provided high-level factual reporting of events which were unrelated to the rest of the programme. At the end of the news bulletin, Mr Addison said: "This is GB News. We'll bring you more as it happens. Now let's get straight back to Esther and Phil". This was followed by the GB News title sequence and then the *Saturday Morning with Esther and Phil* title sequence was played before the broadcast returned to the main studio with Ms McVey and Mr Davies.

First segment of the Interview

After the news bulletin, Ms McVey introduced the first segment of the Interview, which she presented as an:

³ Michael Crick is a broadcaster, journalist and author. He served as political editor on BBC's *Newsnight* Programme between 2007 and 2011 and was political correspondent at *Channel 4 News* between 2011 and 2019.

⁴ Patrick O'Flynn is a journalist and Social Democratic Party ("SDP") politician who served as Member of the European Parliament for East England from 2014 to 2019. He was elected for the UK Independent Party ("UKIP") but defected to the SDP in November 2018.

“...exclusive chat with Jeremy Hunt, where he laid down his plans to tackle inflation, reduce government borrowing, and grow the UK economy”.

The opening segment focused on questions about the Conservative Government’s approach to borrowing and spending and levels of taxation in the current economic climate. For example:

- whilst acknowledging that Mr Hunt would not be able to reveal the measures due to be announced in the forthcoming budget, Ms McVey asked the Chancellor whether he thought the *“Government is borrowing tens of billions of pounds because it’s overspending or because it’s under taxing?”* Mr Hunt explained that *“the main reason is because we’re not growing...and when your growth slows down, your tax receipts come down”* which he said creates *“enormous pressure”* if the Government wanted to continue spending the same amounts on *“things like the NHS”*. Mr Hunt said that his priority was to reduce inflation and debt in order to grow the economy *“if we want to keep taxes down, as I do very strongly”*;
- Ms McVey challenged Mr Hunt on the level of current taxation and the risk of it impeding growth. She asked the Chancellor: *“are you embarrassed, ashamed, that you’re here now, when we’ve got the highest levels of taxation in modern history?”* Mr Hunt referred to the errors made, in his view, in the September 2022 mini budget⁵, stating that it *“was wrong... to say you can borrow to cut taxes because that’s not sustainable”*. He explained that *“to cut taxes permanently, then it needs to be a tax cut that we earn through higher growth and the first step is stability, and for stability you need responsible public finances, and that’s why we took some very difficult decisions. We did increase taxes”*. Mr Hunt however acknowledged that *“as a Conservative Chancellor...I want to bring down personal taxes because that is at the heart of what being a Conservative is, but I want to bring down business taxes even more”*; and
- Mr Davies asked Mr Hunt: *“Do you accept a more dynamic taxation model and accept that, if you cut the top rate of tax, you can actually gain more tax revenue from it; something that the Treasury has been accused of not believing in?”* Mr Hunt said that *“when you do things like cut taxes, we have to make sure that those commitments are credible”* and explained that *“what we’re trying to do is to increase the productive capacity of the economy and a highly taxed, highly regulated economy has less productive capacity. It means that investment by the private sector is crowded out by the higher taxes that are taken by the public sector”*. He explained that he had been trying to persuade the Office for Budget Responsibility (“OBR”⁶) of these dynamic effects but admitted that *“we aren’t going to get there in one bound. This is a journey”*.

Throughout this segment, a banner running at the bottom of the screen read:

⁵ On 23 September 2022, Kwasi Kwarteng, the Chancellor of the Exchequer in Liz Truss’s Government, presented his ‘mini budget’ to Parliament, which included tax cuts that were expected to reduce Treasury revenues by around £45 billion in 2026/27. Financial markets reacted negatively to the mini budget.

⁶ The Office for Budget Responsibility (“OBR”) was created in 2010 to provide independent and authoritative analysis of the UK’s public finances.

“Hunt: Our priority is to reduce inflation, debt and grow the economy”.

The first segment of the Interview ended and the programme returned to the main studio. A discussion took place between the presenters and guests analysing Mr Hunt’s comments. At this point the banner changed to read:

“Jeremy Hunt Exclusive: Chancellor says he plans to bring down personal and business taxes”.

Live studio panel discussion following the first segment of the Interview

During the panel discussion:

- Ms McVey questioned Mr Crick and Mr O’Flynn on Mr Hunt’s approach, asking *“Michael said the word ‘cautious’. Would you say overly cautious?”* The guests agreed that the Chancellor was cautious in his approach to taxation and questioned whether it was the right approach. In Mr O’Flynn’s view, this was not consistent with the concept of the *“dynamic effect of tax cuts”* that Mr Hunt seemed to believe in, stating *“well, if you believe in the dynamic effect of tax cuts, then I don’t quite see how that flows”*. Mr Davies acknowledged that this was a *“journey”* but that Mr Hunt’s *“journey has taken him in the wrong direction to start with, to lower taxes”*;
- Mr Crick commented that lowering taxes may be the long-term plan and that this was possibly the first of several Budgets that would address taxation issues in stages, similar to the policy followed by a previous Conservative Prime Minister, Margaret Thatcher, in her time;
- there was broad agreement that *“Jeremy Hunt will be cutting personal taxes before long, assuming the Conservatives remain in Government”*;
- Ms McVey questioned whether the measures to be introduced would be sufficient and if any potential tax cuts in subsequent Budget statements would be timely enough to satisfy voters ahead of a General Election, asking *“so is it going to therefore be too little, too late when he does do things?”*;
- Mr Crick questioned whether the Chancellor had factored in any potential public sector wage increases in the Spring Budget, in reference to the cost-of-living crisis and ongoing industrial action from several public sector bodies: *“...one of the things that Hunt needs to start thinking about is how is he going to pay for these pay settlements, which are inevitable before long... I think he [Mr Hunt]’s going to have to bear in mind that wage increases that are coming, not necessarily increases in real terms by the way, they’d probably be below inflation, but they’ll be more than the Government’s offering now”*. Mr Davies replied that *“Michael’s right, isn’t he, that people are worried about the cost of living? Their wages aren’t keeping up with that cost of living, which seems the obvious thing to do for [a] Chancellor is to cut people’s taxes, and yet he [Mr Hunt] seems reluctant to help them with that particular problem”*; and
- although broadly disagreeing with Mr Hunt’s plan to increase taxes, Mr O’Flynn acknowledged that it may be the first steps to ensure *“steady progress”* to reduce inflation between now and

next year's budget and for the Conservative Government to be *"in a position to responsibly cut your taxes just in time for a General Election"*.

Following an advertisement break, the programme continued with Ms McVey and Mr Davies in the studio reading out viewers' comments and reaction to the first segment of the Interview, which included:

- a viewer stating that "Mr Hunt needs to raise the tax payment thresholds for people";
- a second viewer who wanted to see the same increase, with a reference to the increase in illegal immigration "costing our country a fortune"; and
- a third viewer who requested that the Conservative Government tackle "the massive unwieldy public sector, start[ing] with MoD and NHS procurement".

Second segment of the Interview

Mr Davies then introduced the second segment of the Interview, which included questions about the role of economic forecasters – specifically the OBR – and the effect on political decision-making, as well as a question about corporation tax targets. During the segment:

- Mr Davies questioned whether *"there's too much focus on what the [OBR] say"* and that the OBR's forecasts were *"lamentable in their accuracy"*. The Chancellor largely defended the role of the OBR in providing independent and authoritative analysis of the UK's public finances, saying that the markets *"do trust the OBR. And when the previous Chancellor tried to do a budget without having the OBR looking through the numbers, the markets said that was not acceptable"*; and
- Ms McVey returned to the likelihood of a proposed rise in corporation tax, referring to the *"horrifying thought for some of us that it's going to go from 19 to 25%"*. She challenged the Chancellor on his change of position on taxation since his leadership bid in 2022, stating: *"And I know that you, in your leadership bid, wanted to bring corporation tax down to 15%. So I'm not getting, I'm not computing the 25% when you wanted to be at 15%...I'm going to say to you, we shouldn't be increasing that. And you're a man who wanted 15%. What's gone wrong? Were you wrong then? Are you wrong now?"* The Chancellor re-iterated that, although the Conservative Government aimed to reduce taxes in the long term, it was not a measure that could be taken imminently and that the economy needed stability in order to cut taxes.

This segment of the Interview ended and the programme then returned to the studio for further analysis.

Live studio panel discussion following the second segment of the Interview

During discussion of the second segment, two banners at the bottom of the screen read:

"Jeremy Hunt Exclusive: Chancellor says he plans to bring down personal and business taxes" and *"Jeremy Hunt: We're on track to bring inflation down"*.

The panel discussion included the following points:

- the panellists acknowledged the difficulties of being a politician with reference to a previous pledge from Mr Hunt to cut corporation tax in his bid to become leader of the Conservative Party, in contrast to his current plan to increase it. Ms McVey asked Mr Crick about Mr Hunt, *“did he manage to pull that off successfully do you think?”*. Mr Crick replied *“I think he did, actually”*, before acknowledging that *“if people can think, well the Chancellor’s committed to bringing it down to a much lower rate by that date, that in itself, that commitment, and if we believe Hunt and I think he is a credible person, the only thing is, will he be in power for much longer, then that, that would help”*;
- with regards to Mr Hunt’s statements about the OBR, Ms McVey stated: *“I still seem to think he seems to be strangled in a stranglehold in the grip of those forecasters. He seemed to be defending them then, even though he admitted that they were wrong in their forecasts”*. Mr O’Flynn was critical of the benefits of such organisations and their perceived ability to correctly predict growth: *“So to my mind, it does make it, uh, strange that so much import is placed upon things like the OBR predicting what growth will be in two years’ time. I mean, it really is put your finger in to the to the [sic] wind stuff”*, but he also acknowledged that, *“if the British Government needs to borrow, which it will do, it has to have confidence and for sensible reasons or silly ones, the OBR is a stamp there”*;
- Ms McVey argued that Mr Hunt’s approach to taxation could have been the approach taken by Jeremy Corbyn, the former leader of the Labour Party. She said: *“So, we’re talking about raise corporation taxes: Corbyn, tick; Tories, tick. Extra tax on high earners: Corbyn, tick; Tories, tick. Windfall tax on companies: Corbyn, tick; Tories, tick. Raid on dividends: Corbyn, tick; Tories, tick. What’s going on?”*. Mr Crick added: *“John McDonnell, Corbyn’s Shadow Chancellor, loves all that you know. His policies have come in from another government”*; and
- Mr Crick argued that Mr Hunt’s approach to increasing taxes may also be *“symbolic”* following the mini budget, which, in his view, *“didn’t just annoy the markets, it was also, I think, it annoyed a lot of the country because it looked like your party was bringing down taxes on the rich and all its friends in business”*. He explained his view that *“the symbol of the symbolism of it plays an important role here, particularly when we’re less than two years away from an election”*.

On return from another advertisement break, the presenters read out two more messages from viewers, referring to them as *“what you’d like to see in the Budget”*:

- the first viewer stated that they wanted *“a rise in personal allowances, a freeze or cut in corporation tax, scrapping the green levy and VAT on energy, cutting fuel duty and VAT on fuel, review of business rates and cutting public spending”*; and
- the second viewer stated that *“Jeremy Hunt has got to scrap the rise in corporation tax at the least, that will give businesses a chance to be competitive in world markets”*.

Third segment of the Interview

The third segment of the Interview followed on from the previous segment's questions on corporation tax. During the Interview:

- Ms McVey asked Mr Hunt: *“are you happy as the Chancellor to preside over that falling in competitive rates?”*. Mr Hunt explained that he wants the tax rates to be *“the most competitive”* but said that it was a journey and that the priority was to stabilise the markets and to adopt a *“responsible approach to public finances... because without that you can't have a path to lower inflation”*. Mr Hunt then reiterated: *“But if you're saying to me, is it my ambition for us to have the most competitive business tax rates? Do I want to make progress? Yes, I do”*;
- Mr Davies challenged Mr Hunt on his statement about growth: *“The Centre for Policy Studies⁷ and the Tax Foundation⁸ say that the corporation tax increase alone will reduce GDP long term by 1.2% and the Bank of England predicts a fall in business investment of 5.5% next year. So that's hardly going for growth, is it? That's doing the exact opposite. That's... going for slower growth”*. Mr Hunt responded, *“well, that is why you and I are both Conservatives, Phil, because we believe in bringing tax rates down”*, but that this needed to be done *“in a framework that is responsible for public finances”*;
- Mr Davies questioned the Chancellor on his position on energy provision and the rising prices faced by the country during the cost-of-living crisis. Mr Hunt replied that *“what we need is a pathway to permanently low energy prices where businesses can depend, whatever someone like Putin does in another part of the world, they can depend on a stable, clean, green energy”* and referred to some of the targets for electricity provision; and
- Ms McVey asked if scrapping the ongoing development of the HS2 rail link⁹ would be an option to save money for the Government, instead of increasing tax rates. Mr Davies also queried: *“Is there a price though at which HS2, where even you would say, well it's now no longer value for money or are you determined to build it irrespective of how much the price goes up to?”*. Mr Hunt disagreed and said HS2 was crucial to ensure connectivity in the North.

During this segment there were two banners at the bottom of the screen that read:

“GB News Exclusive: Hunt: What we need is a pathway to permanently low energy prices” and “Hunt: I want our tax rates to be the most competitive”.

⁷ [The Centre for Policy Studies](#) describes itself as “a centre-right think tank”.

⁸ [The Tax Foundation](#) describes itself as America's “leading independent tax policy... non profit”.

⁹ HS2 is a new high speed rail line being built from London to the North-West, with HS2 trains linking the biggest cities in Scotland with Manchester, Birmingham and London.

Live studio panel discussion following the third segment of the Interview

The third segment ended and the programme again returned to the presenters in the main studio for further analysis. During the discussion:

- the presenters were critical of HS2, stating that it was no longer value for money, and that whilst acknowledging the need for connectivity with the North, *“people are now going online, sort of, technology has surpassed what that train line was”*. Mr Crick disagreed, acknowledging the difficulties around the costs but stating that it was necessary to improve travel links to ensure growth. Mr O’Flynn acknowledged that the business case for HS2 *“must be way weaker than it was, because we thought we were dealing with an economy where not many people work from home”* and that it was a *“matter of priorities”*;
- further discussion followed of Mr Hunt’s view that stabilising the economy would be a ‘journey’, including by Ms McVey who said: *“...he [Mr Hunt] kept talking about ‘responsible’, a ‘pathway to permanency’, a ‘journey’, which to me it was just all too slow when we’re working in a period where I think we need to galvanise the economy and where we’re going to get over the pandemic”*; and
- Mr O’Flynn expressed the view that Mr Hunt was *“obsessed...with sending out signals to, you know, big business, major investors, global economic think-tanks, that the orthodoxy is back”*.

The panel discussion ended and this was followed by an unrelated discussion about an Anglo-French immigration deal which also briefly mentioned the dispute between Gary Lineker and the BBC about the former’s recent statements on social media.

Following another advertisement break, and before returning to the main programme, Ms McVey introduced the second news bulletin: *“but first, here’s the news headlines with Ray”*. A GB News title sequence was played followed by the news bulletin, which was presented again by news anchor, Ray Addison, from the *“GB Newsroom”*. The headline news story included the brief clip of the Interview with Jeremy Hunt again before the news anchor teased the *“final part of that exclusive interview”*: The news anchor ended the bulletin by saying: *“This is GB News. We’ll bring you more as it happens. Now let’s get straight back to Esther and Phil”*. This was followed by the GB News title sequence and then the *Saturday Morning with Esther and Phil* title sequence was played before the broadcast returned to the presenters in the main studio. The presenters then read out further messages from viewers as follows:

- the first message referred to the high costs of HS2 and the project being *“utter nonsense”*;
- the second message welcomed the modernisation of the UK railways, with a favourable reference to the rail networks of France and Japan; and

- the third message returned to the issue of corporation tax, suggesting that there could be zones in the UK with a lower tax levy which could then form part of the ‘Levelling Up’ pledge¹⁰ by the Conservative Government.

Fourth segment of the Interview

The fourth segment of the Interview with Mr Hunt was broadcast, in which the presenters questioned Mr Hunt on the “*pandemic plan*” that he had made during his previous role as Secretary of State for Health¹¹ and the Government’s handling of the Covid-19 pandemic following his departure. There was no other mention of the Spring Budget or measures related to it.

The programme then returned to the presenters and panellists in the studio and discussed the last segment of the Interview which did not mention measures relating to the Spring Budget.

Live studio panel discussion following the fourth segment of the Interview

Following another advertisement break, the programme moved on to a discussion about impartiality at the BBC, following the recent suspension of Gary Lineker. At this point, Mr Davies referred to Mr Crick’s known opposition to perceived bias within broadcasting and mentioned that Mr Crick wanted to see GB News “*closed down*”¹². In response, Mr Crick referred to the number of Conservative Party MPs currently presenting programmes on GB News, before the presenters responded that they had, in their view, appropriately challenged the Chancellor, with Ms McVey stating that “*we ask [questions] from the right rather than always from the left...*”. They argued that their clear political stance lent transparency to their approach to presenting which, they suggested, was not the case with the BBC. Mr Davies said “*Nobody doubts what mine and Esther’s starting point are, we don’t hide our starting point*”.

After this discussion, Ms Mc Vey said: “*but still to go on Saturday Morning with Esther and Phil, we’ll be speaking to GB News viewers and listeners on what they have to say on our big interview, and what they want in the budget next week. Stay with us*”. This was followed by the GB News title sequence, before the news anchor, Ray Addison, presented the third news bulletin from the GB Newsroom. The bulletin covered the same headlines as the previous bulletins in the programme, though the clip of Mr Hunt speaking in the Interview was not included. Mr Addison ended the news bulletin with “*This is GB News. Back to Esther and Phil in just a moment*”. This was followed by the GB News title sequence, and an advertisement break. Following the break, the *Saturday Morning with Esther and Phil* title sequence was played before the programme returned to the studio.

This last sequence included a live interview via video link with two business owners: Rob Baker, a technology entrepreneur; and Mike Flynn, director of a railway engineering company. They were

¹⁰ “Levelling up” is a political policy first articulated in the 2019 Conservative Party manifesto that aims to reduce the imbalances, primarily economic, between areas and social groups across the United Kingdom. A White Paper for the policy was published by Boris Johnson’s Conservative Government in 2022 and has been continued by Rishi Sunak’s Government: <https://www.standard.co.uk/news/politics/rishi-sunak-prime-minister-government-nhs-parliament-b1050833.html>

¹¹ Mr Hunt served as Secretary of State for Health and Social Care from 2012 to 2018.

¹² Mr Crick had previously made several public statements of this nature, including on GB News programmes.

asked for their thoughts on the Interview and what they would like to see in the upcoming Spring Budget.

Interview with businessmen Rob Baker and Mike Flynn

During this interview, the presenters and businessmen's discussion included the following:

- Mr Baker expressed disappointment with the proposed increase of the corporation tax rate and disagreed with the reasons given by Mr Hunt to justify it, claiming that it would have a negative impact on British innovation. He said: *"My feeling is that there was, I was disappointed a little bit with what Jeremy had to say, because he seemed to say a lot of the right things but then the movement is to do the opposite, and corporation tax is my big thing about what needs to be impacted here, and it needs to be reduced"* and *"He [Mr Hunt]'s going to increase it. That's a great shame. We need to reduce it";* and
- Mr Flynn was then specifically asked about his thoughts on HS2 in his capacity as the director of a railway engineering company. He said he'd *"always been opposed to HS2, I've never felt it was a very good idea"* and pointed to the constantly increasing costs of the project as well as the reasons for its implementation apparently changing over time.

The interview with the two businessmen then ended and the programme moved on to a segment about the Cheltenham horse race whip rules, with no further mention of the Spring Budget. Following this, the programme ended with a 'showbiz' segment.

Applicable rules of the Ofcom Broadcasting Code

We considered the programme was dealing with matters of major political controversy and major matters relating to current public policy, specifically the Conservative Government's approach to economic and fiscal policies, in particular in the context of the forthcoming Spring Budget. We considered that it therefore raised potential issues under the following rules of the Code:

Rule 5.3: "No politician may be used as a newsreader, interviewer or reporter in any news programmes unless, exceptionally, it is editorially justified. In that case, the political allegiance of that person must be made clear to the audience".

Rule 5.11: "In addition to the rules above, due impartiality must be preserved on matters of major political and industrial controversy and major matters relating to current public policy by the person providing a service (listed above) in each programme or in clearly linked and timely programmes".

Rule 5.12: "In dealing with matters of major political and industrial controversy and major matters relating to current public policy an appropriately wide range of significant views must be included and given due weight in each programme or in clearly linked and timely programmes. Views and facts must not be misrepresented".

Ofcom requested comments from the Licensee on how the programme complied with these rules.

Response

Representations on Rule 5.3

GB News argued that Rule 5.3 was not applicable to this case as the broadcast in question was “not a news programme”. It said that “Ofcom has made it clear that it recognises and accepts an important distinction between ‘news content’ and other output such as current affairs, even on news channels” referring to a recently published [Not Pursued Decision](#)¹³ regarding programming on Talk TV.

The Licensee argued that *Saturday Morning with Esther and Phil* was an “identical format” to the above Not Pursued Decision and concluded that it was therefore clear that, “by Ofcom’s own definition the programme was a current affairs programme and not a news programme and that Rule 5.3 was not applicable”.

Representations on Rules 5.11 and 5.12

GB News accepted that the programme dealt with a major matter of current public policy and that Rules 5.11 and 5.12 were engaged. GB News said that the Interview with the Chancellor was “not intended to be a general review of economic events or a detailed narrative of the government’s handling of the economy”. It said the purpose of the Interview was to “focus closely on the likely direction of the forthcoming budget and the Chancellor’s potential options”.

GB News acknowledged that the budget was “the work of a Conservative government, prepared by a Conservative Chancellor and had inevitably been strongly influenced by the dramatic events of the previous autumn”. It further added that “fierce debate had continued within the Conservative Party about the importance of tax cuts and whether economic growth was possible in their absence”. GB News also argued that the increase in corporation tax had been “widely predicted in the forthcoming budget, despite the Chancellor having argued during his leadership bid that this tax should actually be cut”.

The Licensee explained that it was within this context that the programme makers took the editorial decision to focus on taxation as the key topic of discussion, with an emphasis on “decisions influencing Budget choices and how ordinary people and businesses might be affected”.

The Licensee added that: “The studio guests were two strongly independent voices, Patrick O’Flynn, an economic and social affairs commentator, and Michael Crick, a very experienced political journalist with a notable record of holding politicians to account for their views”.

GB News stated that the first segment of the Interview “revealed the depth of disagreement on the key issue of taxation” and it was clear that that the presenters “would not give Mr Hunt an ‘easy ride’” despite being from the same political party. The Licensee argued that the presenters “clearly disagreed and offered an alternative argument, that economic growth was essential to the UK’s recovery and that it could not take place without reducing the level of personal and business taxes”. It also added that Mr Hunt and the presenters disagreed on the “dynamic effects” of tax cuts.

The Licensee then referred to the studio panel discussion following the first segment of the Interview. It said that the programme “correctly reflected the fact that this debate had to be set in a wider

¹³ https://www.ofcom.org.uk/data/assets/pdf_file/0023/256361/April-2023-Standards-Decision-Talk-TV.pdf

economic and social context” and therefore included “an appropriately wide range of significant views”. It highlighted the exchange between Ms McVey and Mr Crick as an example of this.

GB News said that, in the second segment of the Interview, the presenters “argued that while economic stability was clearly important, it would be a major mistake for policies to be designed purely for winning the approval of the Office for Budget Responsibility and the financial markets at the expense of growth and economic revival”. The Licensee said that Mr Hunt defended the role of the OBR as an independent tool in building confidence in economic policy and added that the body was founded by a Conservative Government in response to a lack of trust in the economic predictions and calculations of a former Labour Government.

The Licensee said the presenters criticised the Chancellor’s expected proposed increase in corporation tax, pointing out that he had previously campaigned for the tax to be cut. GB News referred to Ms McVey’s comment that the potential increase was “*horrifying*” and to Mr O’Flynn’s criticism of Mr Hunt’s reliance on the OBR.

GB News also referred to Mr Crick’s comment in which he said that Labour could be in power within two years. The Licensee said that “the unconventional state of current political life was highlighted by part of the discussion which suggested that the left-wing of the Labour Party might well approve of some of the government’s economic measures” and referred to Ms McVey and Mr Crick’s statements in which they likened Mr Hunt’s plan with regard to taxation to that previously outlined by Jeremy Corbyn.

GB News further referred to Mr Crick’s “broader view of the unpopularity of the Truss-Kwarteng budget, pointing out – as critics of the government and Conservative politics have done – the powerful symbolism of unfair tax cuts”. It highlighted the sections of the panel discussion where Mr Crick said:

“It looked like your party was bringing down taxes on the rich and all its friends in business...The symbolism of it plays an important role here, particularly when we’re less than two years away from an election”.

GB News said that in the third segment of the Interview “the two presenters again criticised plans to increase Corporation Tax which they believed would reduce the competitiveness of British business”. The Licensee said that “the Chancellor had a different view. He emphasised again the priority of economic stability and said that the goal of highly competitive rates of taxation (which he shared) was more of a long-term aim”. The Licensee said the presenters were “strongly critical” of his approach.

The Licensee further referred to the Chancellor’s admission that the Conservative Government had got things wrong in the Truss-Kwarteng Mini-Budget “where taxes were reduced in a way that pleased all Conservatives” whilst ignoring the need for ‘responsibility’ with public finances. GB News referred to and quoted Mr Hunt’s statement to that effect.

GB News referred to the disagreement between Mr Hunt and the presenters with regard to HS2, where “the presenters argued that the Government should scrap HS2 to save money” and Mr Hunt disagreed. The Licensee added that the “debate continued in the studio with Michael Crick arguing in favour of the project and the presenters taking an opposite view”.

The Licensee said there was “further discussion of the economy and the Chancellor’s aim of ‘stability’” in the panel’s discussion, referring to what Mr O’Flynn said with regard to Mr Hunt’s ‘obsession’ with “*sending out signals to, you know, big business, major investors, global economic think-tanks that the orthodoxy is back*”.

GB News said the fourth segment of the Interview dealt with Mr Hunt’s thoughts about the Covid crisis and the Conservative Government’s actions, particularly in their preparedness for a pandemic, stating that a broad range of opinions was expressed within the Interview and the conversation that followed.

The Licensee referred to “an important discussion” later in the programme about impartiality and transparency. It referred in particular to this discussion including: the reference to Mr Crick’s previous criticism of GB News for, in his view, a lack of impartiality; and an exchange between Mr Crick and the presenters in which Mr Davies and Ms McVey argued that, although they asked questions from the Conservative Party perspective, they provided robust challenge to Mr Hunt’s statements in the Interview and they were transparent to audiences about their own views from a Conservative Party perspective.

GB News then referred to the live Interviews with two businessmen and GB News viewers, Rob Baker and Mike Flynn, and pointed out that Mr Baker “broadly endorsed the need for tax cuts to help businesses”, whilst Mr Flynn “believed HS2 was unnecessary and too costly”.

The Licensee added that: “Throughout the programme, the presenters read out e-mails from viewers and listeners that had been sent in during the broadcast. These included views on tax levels, public spending, enterprise zones, immigration, levelling up and the merits or otherwise of HS2”.

In summary, GB News argued that the “Interview was approached – as the presenters acknowledged – from the perspective of ‘the right’ but the substance of the discussions was freely debated and a very wide range of views was discussed and given enough time to develop, in other words they were given ‘due weight’”. The Licensee said: “Crucially, both the presenters and the other contributors put the Interview in the context of the lives of ordinary people and wider economic and social issues – the cost of living crisis, falling real wages, public sector strikes and more”. The Licensee said that “the programme was neither pro nor anti Conservative. It was not biased in its approach or promotional to the Conservative Party or the Government” and it “made sure that wider perspectives were aired too”. GB News referred to Paragraph 1.31 of Ofcom’s Guidance on [Section Five](#) of the Code, which makes clear that “the preservation of due impartiality does not require a broadcaster to include every argument on a particular subject or to provide, in each case, a directly opposing argument to the one presented in the programme” and “urge[d] Ofcom to take particular account of this point”. It said that “It goes to the heart of the argument we are making about the wider context of the programme and the format that we chose – which was not as a way to avoid providing ‘Due Impartiality’ but as a way to deliver it in an interesting and innovative fashion” [emphasis added by the Licensee]. GB News added that the programme was not “just a predictable roster of the same people making the same points as on every other media outlet with ‘gotcha’ moments provided by aggressive interviewers with pre-scripted questions”.

The Licensee said that “Ofcom frequently emphasises that it is not its role to substitute its own editorial judgement for that of the broadcaster” and that “Its guidance makes clear that how a programme delivers Due Impartiality is up to the broadcaster” [emphasis added by the Licensee]. It referred to paragraph 1.6 of Ofcom’s Guidance on Section Five of the Code to that effect. It also pointed to the reference in Rule 5.12 to “an appropriately wide range of significant views” and added that “the rule does not specify who should deliver those views and that is surely correct”. GB News said that, in this case, it exercised its own editorial judgement about the way that the range of significant views should be provided and it believed it had done so in compliance with the Code.

The Licensee concluded by saying that the programme was “delivered in GB News’s own distinctive style with its own perspective” and argued that “the programme put forward an appropriately wide range of significant views in its own way but it did so very much in accordance with the letter and the spirit of the Broadcasting Code”.

Representations on Ofcom’s Preliminary View

Ofcom reached a Preliminary View that the programme was in breach of Rules 5.11 and 5.12 and invited GB News to make representations in response.

In its representations, GB News reiterated its initial arguments that, in its view, the programme was duly impartial. In particular, it said that Ofcom had not given enough consideration to the following points:

- Mr Crick’s comments on the wider political and economic landscape, including criticism of the Government’s handling of the cost-of-living crisis and his suggestion that the most recent budget had ‘...looked like your party was bringing down taxes on the rich and all its friends in business’. GB News said “this was clearly a critical perspective well beyond an internal Conservative one”;
- that the programme was “neither pro nor anti Conservative, despite it featuring two Conservative MPs interviewing a Conservative Chancellor of the Exchequer”. GB News said that the programme “clearly revealed the splits within the party, illustrating effectively why the Conservatives remain behind Labour in the polls”. It said that the programme “could not be said to be promotional of a Conservative position”;
- the “innovative and revealing nature of the programme”. The Licensee reiterated that the programme was “a clear departure from the usual ‘...he says, she says...on the one hand, on the other...’ format of carefully tailored questions and answers in conventional political interviewing that usually leaves viewers none the wiser about what is really happening behind the Westminster curtain”; and
- above all, the editorial freedom that the Code gives to “broadcasters to make their own decisions and adopt different and valid editorial formats”. GB News submitted that the required ‘...appropriately wide range of significant views...given due weight’ was provided during the broadcast, “just not in a way that more traditional programmes would deliver it”.

GB News said that Ofcom had taken “too narrow a view of the way that the range of opinion was presented in the programme”.

GB News asked Ofcom to reconsider its Preliminary View that this programme was in breach of the Code.

Decision

Ofcom’s due impartiality rules

Reflecting our duties under the Communications Act 2003 (“the Act”), Section Five of the Code requires that the due impartiality requirements of sections 319 and 320 of the Act are met.

Section 319 of the Act requires that news in television and radio services is presented with due impartiality¹⁴. Section 320 of the Act sets out special impartiality requirements, which include the preservation, in the case of every television and radio service, of due impartiality on matters (and major matters) of political or industrial controversy and matters relating to current public policy¹⁵.

Section Five of the Code makes clear that “due” is an important qualification to the concept of impartiality. Impartiality itself means not favouring one side or another. “Due” means adequate or appropriate to the subject and nature of the programme. It does not mean an equal division of time has to be given to every view, or that every argument and every facet of every argument has to be represented. The approach to due impartiality may vary according to the nature of the subject, the type of programme and channel, the likely expectation of the audience as to content, and the extent to which the content and approach is signalled to the audience. In addition, context, as defined in Section Two of the Code, is important in preserving due impartiality. Context includes a number of factors, such as the editorial content of the programme, the service on which the material is broadcast, and audience expectations; and the effect on viewers who may come across the programme unaware.

Ofcom must perform its duties in accordance with the right to freedom of expression set out in Article 10 of the European Convention on Human Rights. Freedom of expression is one of the essential foundations of a democratic society. As is well established, it encompasses the broadcaster’s right to freedom of expression as well as the audience’s right to receive information and ideas without interference¹⁶. It applies not only to the content of information but also to the means of transmission or reception¹⁷. Any interference must be prescribed by law, pursue a legitimate aim, and be necessary

¹⁴ This is reflected, for example, in Rule 5.1 of the Code which states that news, in whatever form, must be reported with due accuracy and presented with due impartiality.

¹⁵ This is reflected, for example, in Rule 5.5 of the Code, which provides that due impartiality on matters of political or industrial controversy and matters relating to current public policy must be preserved on the part of any person providing a service. This may be achieved within a programme or over a series of programmes taken as a whole. The requirements regarding major matters are reflected in Rules 5.11 and 5.12 of the Code, which are set out in full above.

¹⁶ *Lingens v Austria* (1986) 8 EHRR 407.

¹⁷ *Autronic v Switzerland* (1990) 12 EHRR 485.

in a democratic society (i.e., proportionate to the legitimate aim pursued and corresponding to a pressing social need). Decisions of the European Court of Human Rights make clear that there is little scope for restrictions on freedom of expression in two fields, namely political speech and on matters of public interest. Accordingly, a high level of protection of freedom of expression will normally be accorded, with the authorities having a particularly narrow margin of appreciation.

It is well established that the freedom of expression of licensed broadcasters may legitimately be restricted where such measures are necessary to achieve the positive objective of maintaining fair and equal democratic discourse on influential media platforms to the benefit of society generally.¹⁸

In order to reach a decision on whether due impartiality was preserved in this programme, Ofcom has had careful regard to the broadcaster's and audience's Article 10 rights and relevant contextual factors.

Ofcom's Guidance on Section Five of the Code

Ofcom has published Guidance to assist broadcasters in complying with the due impartiality rules in Section Five of the Code, including the heightened requirements contained in Rules 5.11 and 5.12. Amongst other things, Ofcom's Guidance makes clear that:

- the concept of due impartiality is central to the application of Section Five and in reaching a decision on whether due impartiality needs to be preserved in a particular case, broadcasters should have regard to the likely expectation of the audience as to the content, and all other relevant contextual factors¹⁹; and
- it is an editorial matter for the broadcaster how due impartiality is preserved, as long as the Code is complied with, and there are various editorial techniques which can help to ensure this²⁰.

In relation to Rules 5.11 and 5.12, Section Five of the Code defines matters of major political or industrial controversy and major matters relating to current public policy as "These will vary according to events but are generally matters of political or industrial controversy or matters of current public policy which are of national, and often international, importance, or are of similar significance within a smaller broadcast area". The Guidance explains these additional rules are necessary because of the nature of the subject matter concerned: these matters are of a significant level of importance and are likely to be of the moment.

¹⁸ *Animal Defenders v United Kingdom* [2013] EMLR 28 and *R (On The Application of Animal Defenders International) v Secretary of State For Culture, Media and Sport* [2008] 1 AC 1312 and *Animal Defenders v United Kingdom* [2013] EMLR 28.

¹⁹ [Ofcom's Section Five Guidance](#), paragraph 1.4. See also paragraph 1.34, which explains that other relevant factors may include the nature of the programme, the programme's presentation of its argument and the transparency of its agenda.

²⁰ *Ibid.*, paragraph 1.6. See also paragraph 1.37 which makes clear that there are a range of editorial techniques which may be employed.

Our Guidance also states that the broadcasting of comments either supporting or criticising the policies and actions of any political organisation, political party or elected politician is not, in itself, a breach of the due impartiality rules²¹. Any broadcaster may do this provided it complies with the Code. However, depending on the specific circumstances of any particular case, it may be necessary to reflect alternative viewpoints or provide context in an appropriate way to ensure that Section Five of the Code is complied with.

Application of Section Five to the Programme

Ofcom first considered whether the requirements of Section Five of the Code were engaged by the subject matter being discussed in the programme.

The programme included an interview with the Chancellor on a series of likely economic and political measures that might be carried out by the Conservative Government in the forthcoming Spring Budget (which was due to be announced four days after the broadcast of the programme, on 15 March 2023). The annual Spring Budget sets out the UK Government fiscal policy and major tax and spending decisions impacting on public services, corporations and households and, as such, is a significant event of national importance. The Interview, and subsequent panel discussion, touched upon many subjects connected with this, including personal and corporate tax but also: Government borrowing; the role of economic forecasting in the setting of budgets; the cost-of-living crisis; and HS2. Ofcom considered that the programme therefore dealt with a matter of major political controversy and major matter relating to current public policy, specifically the Conservative Government's approach to economic and fiscal policies, in particular in the context of the forthcoming Spring Budget. We therefore considered that Section Five of the Code did apply to this programme and that the heightened special impartiality requirements under Rules 5.11 and 5.12 were engaged, which the Licensee acknowledged (see further below).

Rule 5.3

Rule 5.3 states that:

“No politician may be used as a newsreader, interviewer or reporter in any news programmes unless, exceptionally, it is editorially justified. In that case, the political allegiance of that person must be made clear to the audience”.

There are some typical factors that could lead us to classify content as news or current affairs. However, none of these are decisive: in each case we will consider all the relevant factors together, including the format and content of the particular programme. Ofcom will always consider each case on its facts. Factors that could lead us to classify content as news might include:

- a newsreader presenting directly to the audience;
- a running order or list of stories, often in short form;
- the use of reporters or correspondents to deliver packages or live reports; and/or
- a mix of video and reporter items.

Factors that could lead us to classify content as current affairs include:

²¹ Ibid., paragraph 1.34.

- a more long-form programme;
- the presence of extensive discussion, analysis or interviews with guests, often live; and
- long-form video reports.

Outside of news programmes, there is no Ofcom rule that prevents a serving politician or political candidate from hosting a TV or radio programme – provided they are not standing as a candidate in an election taking place, or about to take place, or are a representative of a permitted participant, as designated by the Electoral Commission, in a UK referendum²². This means that politicians are allowed to present current affairs programmes such as audience phone-ins and discussion programmes. Sometimes those programmes may be on channels that also broadcast news. Both news programmes and current affairs programmes must comply with all relevant rules in the Code, including the need to preserve due impartiality on matters (as well as major matters) of current public policy or political or industrial controversy.

GB News argued that the programme was not news and that therefore the requirements of Rule 5.3 did not apply.

As outlined above, the programme in this case was two hours long and presented by Ms McVey and Mr Davies, two sitting Conservative MPs. It included four segments of a pre-recorded interview between the presenters and the Chancellor Jeremy Hunt about the Government’s approach to economic and fiscal policies, in particular in the context of the forthcoming Spring Budget. The segments of the Interview were interspersed with extensive analysis and discussion of the Interview by the presenters and a panel of guests live in the studio. It contained explanation and analysis of past and current events and issues. Taking all those factors into consideration, it was our view that in this case, the content in the programme (with the exception of the three standalone news bulletins discussed below) was current affairs.

As referred to above, on three occasions during the two-hour programme the presenters cut to a news bulletin presented by a separate news anchor, Ray Addison, in a “*GB newsroom*”. We considered that these three bulletins were clearly news programming. This is because: the news anchor was in a separate newsroom to the studio where Ms McVey and Mr Davies presented their programme; he provided, in short form, a high-level and factual account of the day’s headlines; and each bulletin was preceded by the broadcast of a GB News title sequence, which was clearly distinctive from the title sequence of the programme presented by Ms McVey and Mr Davies and which was also broadcast following each bulletin, before returning to the programme. We took into account that the two first news bulletins included a brief clip of the Interview with Jeremy Hunt. However, it was clear, in our view, that these clips were intended to signal the full content which would be included in the upcoming programme presented in “*Saturday Morning with Esther and Phil*”. Taking all these factors into consideration, in our view, the news content was clearly separated from the current affairs content in this case. With the exception of the three standalone news bulletins, we did not consider

²² Rule 6.6 states that: “Candidates in UK elections, and representatives of permitted participants in UK referendums, must not act as news presenters, interviewers or presenters of any type of programme during the election period. BBC ODPS are not required to remove archive content for the election or referendum period”. At the time of the broadcast, neither presenter was standing in an upcoming election, nor were they representatives of a permitted participant, as designated by the Electoral Commission, in a UK referendum.

that the programme presented on this day by Ms McVey and Mr Davies included any other segment or content that constituted news.

Accordingly, we considered that Rule 5.3 of the Code was not engaged for this programme.

Nevertheless, Ofcom is clear that, while the rules allow for politicians to appear as current affairs presenters, such programmes still have to comply with the due impartiality requirements of the Code.

Rules 5.11 and 5.12

As discussed above, this programme comprised current affairs content (apart from the standalone news bulletins) dealing with a matter of major political controversy or major matter relating to current public policy, specifically the Government's approach to economic and fiscal policies in the context of the forthcoming Spring Budget. As such, the Code states that when programmes deal with matters of major political or industrial controversy and major matters relating to current public policy, the heightened special impartiality requirements under Rules 5.11 and 5.12 of the Code apply and the programme was required to preserve due impartiality.

The Licensee acknowledged that the programme dealt with a matter of major political controversy and major matter relating to current public policy. We recognised that, given the presenters were two sitting Conservative Party MPs interviewing the Conservative Chancellor on the budget he was preparing, the broadcast would inevitably include different perspectives from within the Conservative Party on these issues. However, given the considerable public interest in this matter in the current economic context, and in accordance with Section Five of the Code, it was also incumbent on GB News to ensure that the programme included 'an appropriately wide range of significant views' and that these views were given 'due weight'.

Ofcom considered whether the programme preserved due impartiality on this major matter.

The Interview

Ms McVey introduced the Interview by stating that it would cover the Chancellor's "*plans to tackle inflation, reduce government borrowing and grow the UK economy*". The Interview focused on exploring the Chancellor's potential options to tackle inflation, reduce the Conservative Government's borrowing and grow the UK economy in the upcoming 2023 Spring Budget.

The line of questioning in the first part of the Interview focused on potential changes to taxation, including the likelihood that Mr Hunt was going to announce an increase in corporation tax. The Licensee submitted that "it was clear from the start that the two presenters would not give Mr Hunt an 'easy ride'" and that "the presenters clearly disagreed and offered an alternative argument, that economic growth was essential to the UK's recovery and that it could not take place without reducing the level of personal and business taxes".

Ms McVey started the Interview by asking Mr Hunt about the current level of taxation, which she described as "*the highest level of taxation in modern history*", and questioned whether Mr Hunt thought increasing corporation tax was the right approach to economic growth.

Throughout the Interview, we considered that the presenters made several statements that provided a different perspective to Mr Hunt's understood approach to taxation to be announced in the Spring Budget the following week. For example:

In the first segment of the Interview:

- Ms McVey was critical of Mr Hunt's potential plans to increase corporation tax, asking: "are you embarrassed, ashamed, that you're here now, when we've got the highest levels of taxation in modern history?"; and
- when Mr Hunt explained that his priority when he arrived in this role in the previous November was to ensure economic stability through "responsible public finances" by taking the "difficult decisions" to increase taxes, Mr Davies argued: "do you accept a more dynamic taxation model and accept that, if you cut the top rate of tax, you can actually gain more tax revenue from it, something that the Treasury has been accused of not believing in?"

In the second segment of the Interview:

- whilst Mr Hunt defended the role of the OBR as an independent tool created by the Conservative Party to ensure the markets' trust in the Conservative Government's economic policies, Mr Davies argued that there was a concern that "*there's too much focus on what the OBR say*" and that the OBR's forecasts were "*lamentable in their accuracy*"; and
- Ms McVey referred to the expected increase in corporation tax as "*the horrifying thought for some of us that it's going to go from 19 to 25%*" and criticised Mr Hunt's change of position, pointing out that he had previously campaigned for the tax to be cut: "*And I know that you, in your leadership bid, wanted to bring corporation tax down to 15%. So I'm not getting, I'm not computing the 25% when you wanted to be at 15%...I'm going to say to you, we shouldn't be increasing that. And you're a man who wanted 15%. What's gone wrong? Were you wrong then? Are you wrong now?*"

In the third segment of the Interview:

- Ms McVey criticised Mr Hunt's plans to increase corporation tax, which she believed would reduce the competitiveness of British business: "*are you happy as the Chancellor to preside over that falling in competitive rates?*";
- Mr Davies also criticised Mr Hunt's argument that increasing corporation tax would support economic growth, stating "*The Centre for Policy Studies and the Tax Foundation say that the corporation tax increase alone will reduce GDP long term by 1.2% and the Bank of England predicts a fall in business investment of 5.5% next year. So that's hardly going for growth, is it? That's doing the exact opposite. That's... going for slower growth*"; and
- Ms McVey argued that the Conservative Government should scrap HS2 to save money, rather than increasing corporation tax. Mr Davies also asked: "*Is there a price though at which HS2,*

where even you would say, well it's now no longer value for money or are you determined to build it irrespective of how much the price goes up to?"

However, we did not consider that the Interview contained statements which amounted to views that could be considered an 'appropriately wide range of significant views' as required under the Code. We explain this in detail below.

The panel discussion

The panel discussion was described by the presenters in the programme as being designed "to analyse all of the Interview" and the Licensee explained it featured "two strongly independent voices, Patrick O'Flynn an economic and social affairs commentator, and Michael Crick, a very experienced political journalist with a notable record of holding politicians to account for their views".

We acknowledged that there were a number of views expressed in the studio by the presenters and their two panellists which provided different perspectives, to some degree, to Mr Hunt's and the UK's Government's approach to economic and fiscal policies in the upcoming Spring Budget. Examples of these included:

Mr O'Flynn: *"Well, if you believe in the dynamic effect of tax cuts, then I don't quite see how that flows".*

Mr Davies: *"It seems that his journey has taken him in the wrong direction to start with, to lower taxes".*

Ms McVey: *"So is it going to therefore be too little, too late when he does do things?"*

Mr Crick: *"I think he [Mr Hunt]'s going to have to bear in mind that wage increases that are coming, not necessarily increases in real terms by the way, they'd probably be below inflation, but they'll be more than the Government's offering now".*

Mr Davies: *"Michael's right, isn't he, that people are worried about the cost of living. Their wages aren't keeping up with that [sic] cost of living, which seems the obvious thing to do for [a] Chancellor is to cut people's taxes, and yet he seems reluctant to help them with that particular problem".*

Ms McVey: *“I still seem to think he seems to be strangled in a stranglehold in the grip of those forecasters. He seemed to be defending them then, even though he admitted that they were wrong in their forecasts”.*

Mr O’Flynn: *“So to my mind, it does make it, uh, strange that so much import is placed upon things like the OBR predicting what growth will be in two years’ time. I mean, it really is put your finger in to the to the [sic] wind stuff”.*

Mr O’Flynn: *“And, as you rightly said, the business case for HS2 must be way weaker than it was because we thought we were dealing with an economy where not many people work from home. We thought we were dealing with a £37 billion scheme, and now we’re dealing with, you know, £150 billion scheme and the way we work being completely different”.*

Ms McVey: *“...he [Mr Hunt] kept talking about ‘responsible’, a ‘pathway to permanency’, a ‘journey’, which to me it was just all too slow when we’re working in a period where I think we need to galvanise the economy and where we’re going to get over the pandemic”.*

However, we did not consider that the analysis provided by the presenters or Mr O’Flynn or Mr Crick amounted to views that could be considered an ‘appropriately wide range of significant views’ as required under the Code. We also explain this in detail below.

Interview with two businessmen

We further considered the statements made by Mr Baker and Mr Flynn, the two businessmen interviewed by the presenters towards the end of the programme who also provided their perspectives on Mr Hunt’s approach to corporation tax and on HS2. For example:

- Mr Baker disagreed with Mr Hunt’s plan to increase corporation tax, saying:

“My feeling is that there was, I was disappointed a little bit with what Jeremy had to say, because he seemed to say a lot of the right things but then the movement is to do the opposite, and corporation tax is my big thing about what needs to be impacted here, and it needs to be reduced” and “He [Mr Hunt]’s going to increase it. That’s a great shame. We need to reduce it”.

- Mr Flynn disagreed with Mr Hunt’s view that HS2 should continue. He said: *“I’ve always been opposed to HS2, I’ve never felt it was a very good idea”.*

However, we did not consider that the statements made by Mr Baker and Mr Flynn amounted to views that could be considered an ‘appropriately wide range of significant views’ as required under the Code. We also explain this in detail below.

The preservation of due impartiality in the programme

We considered that all the factors set out under the “Ofcom’s Guidance to Section Five of the Code” section above applied in this case.

As explained above, the broadcasting of comments either supporting or criticising the policies and actions of any political organisation, political party or elected politician is not, in itself, a breach of the due impartiality rules. However, a broadcaster must maintain an adequate and appropriate level of impartiality in its presentation of matters (and major matters) of political controversy. It may be necessary, in order to comply with the due impartiality requirements, that alternative viewpoints are broadcast and given due weight.

We took into account, and the Licensee acknowledged in its representations, that the Spring Budget was “the work of a Conservative government, prepared by a Conservative Chancellor and had inevitably been strongly influenced by the dramatic events of the previous autumn”. It further added that “fierce debate had continued within the Conservative Party about the importance of tax cuts and whether economic growth was possible in their absence” and that “it was within this context that the programme makers took the editorial decision to focus on taxation as the key topic of discussion, with an emphasis on decisions influencing Budget choices and how ordinary people and businesses might be affected”.

Ofcom was mindful that the presenters were both serving Conservative Party MPs at the time of the broadcast and they were interviewing the Conservative Chancellor on a matter of major political controversy and major matter relating to current public policy. However, we considered that the presenters did not, in fact, frame the discussion as a debate within the Conservative Party or signal that it was to be focussed largely on the issue of taxation, but rather introduced it as an:

“... exclusive chat with Jeremy Hunt, where he laid down his plans to tackle inflation, reduce government borrowing, and grow the UK economy”.

In our view, therefore, the approach of the programme was not limited to the issue of taxation and the internal debate within the Conservative Party but covered a wider discussion about the Conservative Government’s approach to economic and fiscal policies, in particular in the context of the forthcoming Spring Budget.

In Ofcom’s view, the line of questioning and challenges from the presenters in the Interview as set out above provided, to some extent, different perspectives to the one expressed by Mr Hunt (who, for example, did not disagree with tax cuts, but also emphasised that he wanted “*a responsible outlook for public finances*” and that when it came to tax cuts “*we have to make sure that those commitments are credible*”). Indeed, GB News highlighted in its representations to Ofcom, for example, that the Interview “revealed the depth of disagreement on the key issue of taxation”, that the presenters “took issue with the Chancellor repeatedly over his belief that in the short-term tax cuts would have to take

second place to economic stability” and that “The presenters criticised the Chancellor’s expected increase in Corporation Tax”.

However, the Licensee also acknowledged the “fierce debate” within the Conservative Party about tax cuts in the current economic context of “high interest rates and inflation, low growth, falling real wages and public sector strikes”. It was our view, therefore, that Ms McVey’s and Mr Davies’ criticisms and challenges of Mr Hunt’s approach broadly amounted to a reflection of the differing views within the Conservative Party with regards to the approach to be taken by the Conservative Government on economic and fiscal policy in the upcoming Spring Budget. Furthermore, all three Conservative MPs were in broad agreement that the eventual lowering of taxes was key to the economic health of the country, even if they disagreed on the means to get there. Indeed, Mr Hunt made clear at various points during the Interview that he was in substantial agreement with the presenters on the principle of reducing personal and business taxes to grow the economy of the country (e.g. *“But if you’re saying to me, is it my ambition for us to have the most competitive business tax rates? Do I want to make progress? Yes, I do”* and *“Well, that is why you and I are both Conservatives, Phil, because we believe in bringing tax rates down”*). The range of alternative viewpoints included on this matter within the Interview was limited.

We therefore did not consider that the different perspectives expressed by Mr Hunt and the presenters during the Interview itself represented an “appropriately wide range of significant views” on what was a matter of major political controversy and current public policy.

We also acknowledged GB News’s representation to Ofcom that “Rule 5.12 refers to ‘an appropriately wide range of significant views’. The rule does not specify who should deliver those views and that is surely correct. That is a matter for the broadcaster”. Nevertheless, we considered that, on a major matter such as that being discussed in the programme, a wide range of significant views other than the ones expressed by members of the Conservative Party in relation to wider economic and fiscal policy existed. It was therefore necessary for an appropriately wide range of these views to also be represented and given due weight within the programme as a whole in order for due impartiality to be preserved.

Ofcom attaches great value to broadcasters’ and audiences’ rights to freedom of expression, including the right for audiences to receive information and ideas and the broadcaster’s right to make programming, creative and editorial choices. It is an editorial matter for the broadcaster as to how it maintains due impartiality. There are a variety of techniques broadcasters might consider to ensure that a wide range of significant views are given due weight. For example, significant views could be summarised, with due objectivity and in context; if significant views cannot be obtained in person, such viewpoints could be expressed, for example, through presenters’ questions to interviewees. We therefore considered whether the rest of the programme, including the panel discussion, three-way interview with the two businessmen and the messages from viewers read out by the presenters, reflected an appropriately wide range of significant views on the major matter discussed in this case and, if so, whether these views were given due weight so as to preserve due impartiality in the programme as a whole.

The Licensee argued that the Panel discussion following the Interview “correctly reflected the fact that this debate had to be set in a wider economic and social context” and therefore included “an appropriately wide range of significant views”. The Licensee further argued that the studio guests were “two strongly independent voices, Patrick O’Flynn an economic and social affairs commentator, and Michael Crick, a very experienced political journalist with a notable record of holding politicians to account for their views”.

We considered the analysis of Mr Hunt’s statements provided by the panellists in the studio included, to a limited extent, some challenge to the statements made by Mr Hunt in the Interview. For example, following the first segment of the Interview, both panellists in the studio questioned if the Chancellor’s approach to taxation was the right approach and Mr O’Flynn said the Chancellor’s approach was not consistent with the “*dynamic effect of tax cuts*” that Mr Hunt seemed to acknowledge. Mr Crick also questioned whether potential public sector wage increases had been factored into the Spring Budget. In the discussion following the second segment of the Interview, Mr Crick referred to Mr Hunt’s approach as being “*symbolic*” in the context of the previous ‘mini budget’ which, in his view, looked like the Conservative Party “*was bringing down taxes on the rich and all its friends in business*”. In the panel discussion following the third segment of the Interview, Mr O’Flynn referred to Mr Hunt’s ‘obsession’ with “*sending out signals to, you know, big business, major investors, global economic think tanks that the orthodoxy is back*”.

While we recognise that the Code does not require a programme to include *opposing* views in order to preserve due impartiality, it does require “an appropriately wide range of significant views”. In this case, we considered that – as set out above in relation to the Interview – the majority of alternative viewpoints included in the panel discussion following the Interview constituted viewpoints from within the Conservative Party, as opposed to representing “an appropriately wide range” of views. For example, we considered the presenters’ challenges to Mr Hunt’s approach to taxation in the panel discussion focused on the fact that, in their view, Mr Hunt was not sufficiently ‘Conservative’ in his approach (e.g. “*Michael said the word ‘cautious’. Would you say overly cautious?*”; “*It seems that his journey has taken him in the wrong direction... to lower taxes*”; “*the obvious thing to do for Chancellor is to cut people’s taxes, and yet he seems reluctant to help them with that particular problem*” and “*I still seem to think he seems to be strangled in a stranglehold in the grip of those forecasters*”). Furthermore, the majority of the panellists’ challenges were from a similar perspective (e.g. “*Jeremy Hunt will be cutting personal taxes before long, assuming the Conservatives remain in Government*”; “*...one of the things that Hunt needs to start thinking about is how is he going to pay for these pay settlements, which are inevitable before long*”; and “*...it does make it, uh, strange that so much import is placed upon things like the OBR predicting what growth will be in two years’ time. I mean, it really is. Put your finger in to the to the [sic] wind stuff*”).

We acknowledged that there was, in the panel discussion, some reference to a wider range of views, notably when Ms McVey argued that Mr Hunt’s approach to taxation could have been the approach taken by Jeremy Corbyn, the former leader of the Labour Party (“*What Jeremy Corbyn would have done and what the Tories are doing. We’re talking about raise corporation taxes: Corbyn Tick, Tories tick. Extra tax on high earners: Corbyn Tick, Tories tick. Windfall tax on companies: Corbyn tick, Tories Tick...*”). We also took into account the Licensee’s representations that the discussion between the presenters and journalists “suggested that the left-wing of the Labour Party might well approve of

some of the government's economic measures" (we were mindful that Michael Crick said "*John McDonnell, Corbyn's Shadow Chancellor, loves all that you know. His policies have come in from another government*"). However, in Ofcom's view these were speculative references to the policies on taxation that a former leader and former shadow Chancellor of the Labour Party – who are widely known to have a different approach to politics and policy than the current Labour Party leadership – may have adopted, had they been in Government. We did not consider that these references, in this case, amounted to presenting an appropriate wide range of significant views given due weight in relation to the economic and fiscal policies of the Conservative Government discussed in the programme, which were wider than just taxation.

We took into account the Licensee's submissions in response to Ofcom's Preliminary View regarding Mr Crick's comments on the wider political and economic landscape which the Licensee argued "was clearly a critical perspective well beyond an internal Conservative one". We recognised that Mr Crick suggested that the most recent budget had "...looked like your party was bringing down taxes on the rich and all its friends in business". We acknowledged this was an alternative view, albeit a very brief one, as part of an otherwise lengthy Interview and panel analysis.

In our view, the analysis provided by the panellists as set out above did provide some alternative viewpoints to the ones expressed in the Interview. Overall, we did not consider that the various statements by Mr Crick and Mr O'Flynn could be seen as clear articulations of an appropriately wide range of significant viewpoints that, for example, either criticised, opposed or put forward policy alternatives to the viewpoints of the three Conservative Party politicians appearing in the programme. We did not consider therefore that Mr O'Flynn's and Mr Crick's statements in the programme represented "an appropriately wide range of significant views" being given due weight, as required by Rule 5.12.

Similarly, we did not consider that the messages from viewers that were read out by the presenters during the programme contained an appropriately wide range of significant views that were given due weight. While some of the viewers disagreed with Mr Hunt's approach to taxation, their comments broadly aligned with overall Conservative Party policy of decreasing taxes (e.g. "*Mr Hunt needs to raise the tax payment thresholds for people*"; "... wants a rise in personal allowances, a freeze or cut in corporation tax, scrapping the green levy and VAT on energy, cutting fuel duty and VAT on fuel, review of business rates and cutting public spending"; and "*Jeremy Hunt has got to scrap the rise in corporation tax at the least, that will give businesses a chance to be competitive in world markets*"). Only one viewer message, referring to the cost of HS2 as "*utter nonsense*", differed from the broad thrust of the policy of the Conservative Government. However, this message did reflect the viewpoints of both presenters, sitting Conservative Party MPs, who expressed the view that the HS2 infrastructure project was too costly and unjustified. We therefore did not consider this statement reflected an appropriately wide range of significant viewpoints. Neither did we consider the three-way interview with the two businessmen provided an appropriately wide range of significant views (for example Mr Baker, one of the businessmen, also disagreed with increasing taxes).

Whilst we acknowledged that the Spring Budget was yet to be announced at the time of the broadcast, we considered that the issues discussed were of major political and economic importance in the context of the increasing cost of living and were the subject of debate across the political

spectrum. Given this, it was our view that major political parties, other than the Conservative Party, were likely to have had a view and/or position on the approach to economic and fiscal policies. However, as outlined above, Ofcom considered that the very limited references in the programme to such views were insufficient to comply with Section Five. We also noted there were no clear, editorial linkages made in this programme to any other content which might have contained these views.

We took into account the Licensee's representations that it "took the editorial decision to focus principally on the issue of taxation" from the viewpoint of the Conservative Party, following "the dramatic events of the previous autumn when market reaction to a budget including apparently unfunded tax cuts brought down Mr Hunt's predecessor and the then Prime Minister Liz Truss".

Ofcom acknowledged that when GB News launched as a service, it said it set out to embody "something fresh and different in television news and debate"²³ and that it features "voices that explore topics and areas of discussion that are challenging"²⁴. The Licensee itself further explained that the Interview "was approached – as the presenters acknowledged – from the perspective of 'the right...'" (in the studio discussion later in the programme Ms McVey said: "we ask [questions] from the right rather than always from the left..." and Mr Davies said "Nobody doubts what mine and Esther's starting point are, we don't hide our starting point").

Ofcom is clear that it is essential that current affairs programmes are able to discuss and analyse controversial issues and take a position on those issues, even if that position is focusing on one perspective. This is not, in itself, a breach of the due impartiality rules. We also acknowledged that viewers of GB News would expect opinionated, challenging programming²⁵. However, in doing so, a Licensee must ensure that due impartiality is preserved within the programme and, in the case of a major matter, that an appropriately wide range of significant viewpoints is presented and given due weight.

We also considered GB News' representations that "the programme was neither pro nor anti Conservative, despite it featuring two Conservative MPs interviewing a Conservative Chancellor of the Exchequer". GB News said in response to Ofcom's Preliminary View that the programme "clearly revealed the splits within the party, illustrating effectively why the Conservatives remain behind Labour in the polls" and "could not be said to be promotional of a Conservative position". In our view, the programme was overwhelmingly reflective of the viewpoints of different strands of opinion within the Conservative Party with only very limited references to what the Licensee referred to as "wider perspectives" on UK economic and fiscal policy in the context of the forthcoming budget. For example, there was no real attention given anywhere in the programme to the viewpoints of politicians, political

²³ See [GB News on Twitter: "GB News unveils first programmes https://t.co/8d36yNuyII" / Twitter](https://t.co/8d36yNuyII)

²⁴ See ['Proud to be a disruptor': GB News faces growing pains as it tries to clean up image | GB News | The Guardian](#).

²⁵ See the GB News Editorial Charter: <https://www.gbnews.com/about-us/our-editorial-charter> in which GB News states about its service: "We do not shy away from controversial issues" and "We approach stories differently and challenge media conventions".

parties, organisations or individuals that did not share the same broad approach to such matters as shared by the three Conservative Party politicians appearing in the programme.

In response to Ofcom's Preliminary View, GB News argued Ofcom had not given sufficient consideration to the "innovative and revealing nature of this programme" which, according to the Licensee, was "a clear departure" from the usual format of "carefully tailored questions and answers in conventional political interviewing... that leaves viewers none the wiser about what is really happening behind the Westminster curtain". It had previously said that the programme "was not just a predictable roster of the same people making the same points as on every other media outlet with 'gotcha' moments provided by aggressive interviewers with pre-scripted questions". GB News also submitted that it is broadcasters' editorial freedom to "make their own decisions and adopt different and valid editorial formats" and that Ofcom had taken too narrow a view of the way that the range of opinion was presented in the programme.

Ofcom recognises that, in accordance with the right to freedom of expression, broadcasters have freedom to decide the editorial approach of their programmes, including offering their audiences innovative forms of debate. However, this programme was presented by two sitting MPs from one political party. It featured them interviewing the Chancellor of the same political party about a matter of major political controversy and current public policy. In our view, in these circumstances, the Licensee should have taken additional steps to ensure that due impartiality was preserved.

Taking account of all the relevant contextual factors discussed, we did not consider that an appropriately wide range of significant views on the relevant matter of major political controversy and current public policy were adequately represented within this programme and given due weight, as required by Rules 5.11 and 5.12.

In this case, we have taken careful account of the broadcaster's and audience's rights of freedom of expression. For all the reasons set out above, we found that GB News failed to preserve due impartiality in this programme.

Decision:

Breaches of Rules 5.11 and 5.12

Annex: Transcript of Saturday Morning with Esther and Philip

[Part 1 of the programme]

Mr Davies *Yeah. Good morning and welcome to Saturday morning with Esther and Phil here on GB news. Today we've got our exclusive interview with the Chancellor of the Exchequer.*

Ms McVey *Yes, in advance of the Spring Budget next week, we asked him if he's ashamed about the high level of taxation in this country. We asked him about corporation tax rising and what support he's going to be giving for energy bills and for people with the cost of living. We also talk about those lockdown leaks. Will he be found? Will we be reading about him in those WhatsApp messages with Matt Hancock? And, as the longest serving secretary of state for health, what did he think about the lockdown?*

Mr Davies *Join us in the studio to analyse all of the interview. With two of the finest journalists in the country, Michael Crick and Patrick O'Flynn.*

Ms McVey *And of course, we want your views on what Jeremy Hunt has to say and what you would like to see in his budget next week. Email us at GBviews@GBNews.uk.*

Mr Davies *But first, here's the morning news with Ray.*

[GB News title sequence]

Newsreader *Good morning. It's one minute past 10. Here's the latest, The Chancellor has told GB News He wants Britain to have the most competitive business tax rates amid calls to scrap a planned hike in corporation tax. Ahead of Wednesday's Spring Budget Jeremy Hunt spoke to Esther McVey and Phil Davis on his plans to deliver growth and tackle inflation. He said the corporation tax increase from 19 to 25% would still leave the UK with a lower rate than nearly all major rivals. But he said he was committed to previous promises of bringing down corporation tax.*

Mr Hunt *What we now have is a responsible outlook for public finances. The markets have recognised that (by bringing down mortgage rates, interest rates) and we're on track to bring inflation down. But if you're saying to me as a Conservative Chancellor, do I want to bring down taxes, well, I want to bring down personal taxes because that is at the heart of what being a Conservative is. But I want to bring down business taxes even more.*

Newsreader *And you can see the full interview in the next few minutes exclusively with Esther and Phil here on GB news. Stay tuned.*

[Remainder of the news bulletin]

This is GB News. We'll bring you more as it happens. Now let's get straight back to Esther and Phil.

[GB News title sequence]

[Saturday Morning with Esther and Philip title sequence]

Mr Davies *Thanks Ray, loved the alternative Oscars there, did you?*

Ms McVey *That film was brilliant. I thought Tom Hanks was fantastic in it.*

Mr Davies *You obviously weren't one of the judges last night. Anyway, joining us in the studio throughout the show today is the broadcaster and journalist Michael Crick, as well as a columnist, Patrick O'Flynn. Good morning to you both. We shall look forward to your analysis as the show goes on.*

Ms McVey *Yes, ahead of the Chancellor's Spring Budget on Wednesday, me and Phil had an exclusive chat with Jeremy Hunt, where he laid down his plans to tackle inflation, reduce government borrowing, and grow the UK economy. Let's see what the Chancellor had to say.*

[Pre-recorded interview]

Well, Chancellor, thank you for seeing us today, a busy week ahead of you? I know you won't be able to reveal anything that's in the budget, but if you do, we're happy that you do that. But we'd like to explore your thoughts into what's going to happen, the decisions you're going to be making. Now, we know that you became Chancellor at a very difficult time and government borrowings were tens of billions of pounds. So, what I'm just wondering, when you know what's going to shape the decision. Do you think Government is borrowing tens of billions of pounds because it's overspending or because it's under taxing?

Mr Hunt *Well, it's actually a combination of a number of things, but the main reason is because we're not growing, and we need to be growing as an economy, and when your growth slows down, your tax receipts come down. That creates enormous pressure if you want to carry on spending the same amounts that you've been spending previously on things like the NHS and what I had to do when I arrived in November was stabilise the ship. We had a very worrying situation, as far as the markets were concerned, businesses were worried about whether they could invest for the future. And we have a very big inflation problem, and people needed to see that we had a path to sound money and lower inflation. Um, so that was the job in November. Um, if we want to keep taxes down, as I do very strongly, then we now need to have a path to growth, not just growth that's bouncing back from a recession, but proper, sustainable long term healthy growth.*

Ms McVey *Well, then, that's good. So, Liz Truss was right then. Growth is where we need to go. So then people would question the taxation level and the taxation level of a Conservative government, which would be impeding growth there. So as the Chancellor, are you embarrassed, ashamed, that you're here now, when we've got the highest levels of taxation in modern history?*

Mr Hunt *It's not what I want at all, but by the way, Liz Truss was right to say that the central question is how we deliver growth. Where I think the mini budget was wrong was to say you can borrow to cut taxes because that's not sustainable. That's not money that you've actually got. That's money you're borrowing and so if we're going to cut taxes permanently, then it needs to be a tax cut that we earn through higher growth and the first step is stability, and for stability you need responsible public finances, and that's why we took some very difficult decisions. We did increase taxes. We actually cut spending by more than we increased taxes in the autumn statement. So it was a very, very difficult statement. What we now have is a responsible outlook for public finances. The markets have recognised that by bringing down mortgage rates, interest rates, and we're on track to bring inflation down. But if you're saying to me as a Conservative Chancellor, do I want to bring down taxes? Well, I want to bring down personal taxes because that is at the heart of what being a Conservative is, but I want to bring down business taxes even more.*

Ms McVey *Well, I can hear a huge sigh of relief across the country as you say that and living within your means, not spending what you haven't got. That's why I said, are we overspending or under taxing? I know, Phil, you're interested in that?*

Mr Davies *No no I am, I mean, the Treasury is often criticised for being too Orthodox in its forecast, in the sense that it believes that if you put taxes up, it will raise more money. If you cut taxes, it will cost money. Do you accept a more dynamic taxation model, and accept that if you cut the top rate of tax, you can actually gain more tax revenue from it; something that the Treasury have been accused of not believing in?*

Mr Hunt *I do think there are dynamic effects, yes, when you do things like cut taxes, we have to make sure that those commitments are credible. And that means making sure that independent bodies like the Office for Budget Responsibility also accept there's a dynamic effect and they too, have been having lots of discussions with me over the last couple of months as I've been preparing this budget as to what those dynamic effects are. But yes, what we're trying to do is to increase the productive capacity of the economy and a highly taxed, highly regulated economy*

has less productive capacity. It means that investment by the private sector is crowded out by the higher taxes that are taken by the public sector. But unfortunately, this is the, you know, the disappointing news I know for many people, we aren't going to be able to get there in one bound. This is a journey. If I think about what George Osborne did in 2010, when he raised the personal tax threshold, that process started in 2010. In 2022, 12 years later, Rishi Sunak announced as Chancellor a budget that meant, for the first time in our history, every person in this country can earn £1000 a month without paying tax or national insurance. That is a really big step forward in terms of a reduction in the tax burden, but we got there over time.

[Pre-recorded interview ends]

- Mr Davies *So there you go. That was the first part. We've got Michael Crick and Patrick O'Flynn with us. Michael, what did you make of what Jeremy Hunt was saying there about growth? Liz Truss was being, was right? Uh, he said during the course of that and about taxes.*
- Mr Crick *Well, he's sticking to the aims of his own budget last autumn. You know, growth, uh, not cutting taxes, cutting the debt, cutting inflation. Um, and I think he's, you know, he's a naturally cautious person, I think, and he will try and stick to that in this budget. He doesn't want to do anything to frighten people. He doesn't want to do anything that makes people think, uh, going back to the Kwasi Kwarteng budget of last autumn. And it's interesting what he says about taxes and business taxes. I think we're going to have to wait for personal taxes to come down. I think there's gonna... They're not. The rise in corporation tax is gonna go ahead, but I think it's quite clear that we're going to get, uh, there's gonna, there's gonna be sort of tax cuts in what happens to capital allowances and things like that, so that, to encourage investment.*
- Ms McVey *Michael said the word cautious. Would you say overly cautious? I mean, people are giving comparisons of an absolute pendulum swing. Surely there's somewhere in the middle. What did you think, Patrick?*
- Mr O'Flynn *Well, I think first of all, congratulations on an amazing scoop. Getting a long form interview with a Chancellor of the Exchequer on the weekend before the budget isn't something I can remember happening very much recently.*
- Ms McVey *You'll see at the end of the interview, he had to run off and we were trying to keep him as long as possible, but they had to actually go to the Cabinet meeting.*

- Mr Crick *Yes, they're not supposed to do this are they Patrick, Chancellors to do an interview?*
- Mr O'Flynn *It's for journalists to invite him and see if they can get the scoop. So, congratulations on that. I think overall, you know, he's sort of saying he feels the pain and understands the perspective of what Phillip described as dynamic tax cuts, and he didn't rule it out. But nonetheless, he in turn sort of cited George Osborne, who was very much so called, what he called fiscal Conservative. He cited the OBR, and he seems like he's trying to persuade the OBR of some of these dynamic effects. But I got more sort of steady as she goes vibes, and he specifically said, didn't he, that he doesn't believe in pre-emptive tax cuts, that you have to earn the tax cut? Well, if you believe in the dynamic effect of tax cuts, then I don't quite see how that flows. But I agree with Michael that that he seems to be, uh, warming up towards the idea of specific, targeted corporation tax reliefs rather than having everyone fixate on the headline figure, which obviously is scheduled to go up, uh, you know, a very large amount, possibly, you know, a stupidly large amount, given some of the more competitive corporation tax rates that are out there.*
- Mr Davies *I think, Michael, that what struck me about what he said was that he said that getting taxes down is a journey. Um, and you can't get there all in one go. Now, I always thought that when you're on a journey, you at least would start off in the right direction, and so that's sort of what I took a journey to sort of tax cuts will be that you start with a few tax cuts and you'd end up at your final destination. It seems that his journey has taken him in the wrong direction to start with, to lower taxes.*
- Mr Crick *I'm sure, there will be one or two things in the budget that at least take you to the end of the street on your long journey to the other side of the country. But I mean, remember, he's going to have, you know, three more budgets, really. He's got, you know, this autumn and then two next year if, as I think, the election will be right at the end of next year. But he's got two or three more budgets to start doing that. But, I mean, the analogy you might make is with Margaret Thatcher. You know, Margaret Thatcher didn't really start cutting taxes in a big way till right towards the end of her government. She sorted out the economy first and sorted all inflation first, of course, and then bringing down government debt. And it's only, it was only in year eight that they, not until year eight of the Thatcher government there was a 60% tax rate on richer people in this country. It's hard to remember that, but it's true, and you know he could, he could use that, use that as the mantra. But Jeremy Hunt will be cutting personal taxes before long, assuming the Conservatives remain in Government.*

Ms McVey *So, whilst you rightly say, there will be more budgets, you know, before the general election, I personally think this is a very important one, could be the most important one because people will have made up their mind what they're doing. They want to see change along the way. So is it going to therefore be too little, too late when he does do things?*

Mr Crick *No, I don't think so. The, uh, it depends when he does them, doesn't it? If he does them next autumn or even next spring, that's still, you know, time for that to sink in and time for that to reach people's pockets. But I do think I mean, you know, people's main worry right now is inflation and their other big worry right now, which we haven't mentioned is the fact that for a lot of people in this country, their wages have come down. And I think you know, one of the things that Hunt needs to start thinking about is how is he going to pay for these pay settlements, which are inevitable before long? I mean, we saw on the news the junior doctors strike, and these are people who have had, vast numbers of people, in the public sector and the private sector too, have had real terms pay cuts in the long term. And, you know, there are disputes at the moment as to how much money the Chancellor's got to play with.*

Ms McVey *Well I was going to say, what is that headroom and you're saying he's keeping the headroom there for maybe public sector wage increases?*

Mr Crick *Well I think he's going to have to bear in mind that wage increases that are coming, not necessarily increases in real terms by the way, they'd probably be below inflation but they'll be more than the Government's offering now. And, you know, the National Institute for Economic and Social Research this week, saying they reckon he's got 100 billion to play with, with the OBR, the Office for Budget Responsibility say it's only nine billion. There's a big difference there. I mean, so goodness knows what's going to happen, really.*

Mr Davies *Michael's right, isn't he, that people are worried about the cost of living. Their wages aren't keeping up with that cost of living, which seems the obvious thing to do for [a] Chancellor is to cut people's taxes, and yet he seems reluctant to help them with that particular problem.*

Mr O'Flynn *Yeah, I think a bit of a political economic cycle going on, so there is a little bit of war chest building happening and I think Rishi Sunak in particular has correctly surmised that people expect it to be rough for some little while ahead, but wants to be able to look at the nation in a years' time and say, look, we've done a lot to dig ourselves out of this, this hole, we've been growing up. It's been steady progress, but now we are in a position to responsibly cut your taxes just in time for a General Election.*

- Mr Davies *Does that work, does fattening the pig on Market Day actually, actually work anymore? Or people much more cynical about it now and can see through things like that?*
- Mr O'Flynn *Well, it's certainly true that there's a very high level of cynicism about politics at the moment, no doubt about it at all and not... [inaudible]*
- Mr Davies *Not least from you two [Laughter]*
- Mr Crick *Not surprising, is it?*
- Mr O'Flynn *...doing it on Market Day, i.e. under Michael's timetable, an autumn financial statement six weeks before a general election, that would be too late. But I do see you know next year's Spring Budget as being the time when Hunt and Sunak can say, look, we've made quite a bit of progress. We told you it would be it would be a tough journey, but now we can make some tax cuts, and I actually think Sunak has played the industrial relations thing quite well. He hasn't made it too high octane. He hasn't made early concessions, either. And it is true that as a dispute goes on for the unions, getting the workers to strike again and again and again becomes more difficult. As inflation comes down I think we have what they call a landing zone.*
- Ms McVey *Patrick O. Flynn will be staying with us. Michael Crick will be saying with us, but coming up, we have the second part of our interview with Jeremy Hunt, and we also want to hear from you what you thought about it and what you would like to see in the budget too. Don't go anywhere.*
- [Advertisement break]*
- [Part 2 of the programme]*
- Ms McVey *Welcome back. What a day! What a show! What an exclusive interview. We've got some of your views here. Alistair says Mr Hunt needs to raise the tax payment thresholds for people. This would reduce the need for supplementary support payments. It's the fairest way to gain the same amount of tax.*
- Mr Davies *Lynn is also interested in tax thresholds. She said, I'd like to know if the tax threshold will go up. The only growth I see is in illegal immigration and legal immigration. It's costing our country a fortune. She's quite cynical of politicians as well I think.*
- Ms McVey *Yes, and he goes, Chris says. I will believe that Jeremy Hunt is serious about the economy when he begins to tackle the massive, unwieldy public sector. Start, saying start with MOD and NHS procurement.*

Mr Davies *Keep those views coming in. We want to know what you think the Chancellor should do in his budget next week. But now, in the second part of our interview, we start by asking Jeremy Hunt if economic forecasters have too much influence over his budget decisions.*

[Pre-recorded interview]

On the Office of Budget Responsibility, there is a concern that they, who are also accused of not having the most dynamic tax model either, that they're, in effect, the de facto Chancellor, that everything that you would do is done to satisfy the Office of Budget Responsibility and their forecasts, rather than doing what you actually genuinely think is the best thing for the country and the best thing for the economy. What would you say to people who are concerned that there's too much focus on what the Office of Budget Responsibility say? Whose forecasts, by the way, are lamentable in their accuracy?

Mr Hunt *Well, their forecasts, in fairness, are about the average amongst forecasters in a period in which no forecasters have done particularly well because we've had pandemics and Ukraine and, you know, energy price shocks. So it's been a difficult period for everyone. I think we need to remember as Conservatives that we set up the Office for Budget Responsibility in 2010, and the reason we did it was because we were worried that Chancellors were fiddling their own forecast. They were standing up at budget saying, I can afford to do this that, this that, mainly we were worried about what Gordon Brown did as Chancellor, and we wanted to stop Chancellors finding lots of extra money to spend, um, and putting up taxes more by changing, magically changing their treasury forecasts.*

What I would say is that the markets were very clear. Whatever, uh, anyone else may think the markets were very clear. They do trust the OBR. And when the previous Chancellor tried to do a budget without having the OBR looking through the numbers, the markets said that was not acceptable. And as you and I know someone very close to both of our hearts said you can't buck the markets and I think we have to accept the markets want someone independent to look over the Chancellor's maths. And in the end, what the OBR, all they're doing is confirming whether or not we meet the fiscal rules that I have chosen as Chancellor. That's all we're asking them to do. We choose those rules, and they then say whether in their judgement, we're meeting them.

Ms McVey *Now I want to go back to corporation tax because there's a lot going on in that space at the moment, particularly, uh, the horrifying thought for some of us that it's going to go from 19 to 25%. And I know that you, in*

your leadership bid, wanted to bring corporation tax down to 15%. So I'm not getting, I'm not computing the 25% when you wanted to be at 15%. And we've heard how people aren't going to invest in the country. We've heard AstraZeneca say this. And that was my part of the world, Cheshire. I'm going to say to you, we shouldn't be increasing that. And you're a man who wanted 15%. What's gone wrong? Were you wrong then? Are you wrong now?

Mr Hunt *Well, um, I think I was right in what I wanted to do then, and I think what you wanted to do then, at that time Esther, which is-*

Ms McVey *I still want to do that.*

Mr Hunt *Yes, which is for Britain to have the most competitive business tax levels of anywhere. So that is fundamentally, extremely important because the Conservative insight is that, you know, you need to grow the economy if you're gonna have money to spend on all the things we care about and keep taxes low. And we are fundamentally the party of the economy. Um, I think that if I was going, I'm not going to have another leadership campaign. But let me put it this way. I'm careful of my words here.*

Ms McVey *Never again? You might do.*

Mr Hunt *No, never again. But if I was going to have my time again, the argument I would have made is that we need to have the lowest effective corporation taxes because the headline rate, which, by the way, even at 25% is lower than nearly all our major rivals, you know, France, Germany and so on. But what actually matters, a lot of companies are allowed to count their capital expenditure against their corporation tax bill. One of the ways that George Osborne reduced corporation tax headline rates was that he got rid of those capital allowances. But for manufacturing industry, such as AstraZeneca in your part of the world, those capital allowances work. So, I would say we do want to bring down our effective corporation tax, the total amount people pay this corporation tax as a proportion of their profits. We do want to bring those down. But as I said before, it's not something we're going to be able to do all in one go.*

[Pre-recorded interview ends]

Mr Davies *There you go, that was part two. Michael, it's difficult being a politician, isn't it? You stand for a leadership election on a promise to cut corporation tax from 19% to 15%. And then, lo and behold, find yourself in a situation where you're having to defend increasing it from 19% to 25%. Did he did he manage to pull that off successfully do you think?*

Mr Crick *I think he did, actually. And of course, the other problem he has is he's been arguing for years that much more money needs to be spent on the health service. And yeah, [when are] we gonna see it from the Chancellor? But on the corporation tax thing, I think, uh, you know, it's a pretty strong hint there that there is gonna be, there are gonna be concessions on the allowances and the reliefs as we were discussing earlier, I mean, another suggestion that's been made is that he might sort of say OK, well, you know, this is the programme that I want to bring down the headline rate, you know, to 15% or something, you know, by this particular date, you know 2026 or '27 or something like that. That would be another way I think of reassuring people. 'Cos after all, investments are a long-term thing, so the profit that you make from your investment now may not come until '26/'27. And if people can think well, the Chancellor's committed to bringing it down to a much lower rate by that date, that in itself, that commitment, and if we believe Hunt and I think he is a credible person, the only thing is, will he be in power for much longer, then that, that would help.*

Ms McVey *What you mean will he be in power for much longer, you mean as Chancellor or after the election?*

Mr Crick *I mean or will Labour be in power?*

Ms McVey *Oh, I though was he losing his job the way you said that when you said would he still be there.*

Mr Crick *He may only be Chancellor for a couple of years, and therefore, if he was to make a commitment like that, would Labour take it on? But so, uh, yeah, I think I think he did wriggle out of that quite well. But I think you're finding it is easier to be a journalist than to be a politician.*

Ms McVey *Patrick. Patrick, Philip pressed him on the OBR and these forecasters. I still seem to think he seems to be strangled in a stranglehold in the grip of those forecasters. He seemed to be defending them then, even though he admitted that they were wrong in their forecasts.*

Mr O'Flynn *Well, the truth about economic forecasting, certainly beyond a few months out, is as a science it's about at the stage 18th century medicine was at. So, I don't know if you remember watching that film *The Madness of King George* and all the physicians were gathered around him and recommending leeches, and they really hadn't got much of a clue. And economic forecasting is rather like that. There are so many imponderables and variables. So to my mind, it does make it, uh, strange that so much import is placed upon things like the OBR predicting what growth will be in two years' time. I mean, it really is put your finger in to the to the wind stuff. But he was on strong ground when he basically*

said, you can't buck the markets, i.e. the markets aren't some sinister thing. They are people in charge of their own money or who have appointed other people in charge of their money, working out how much they're prepared to lend to the government and what rates and, you know, clearly Truss and Kwarteng lost confidence. And, you know, if the British government needs to borrow, which it will do, it has to have confidence and for sensible reasons or silly ones, the OBR is a stamp there.

Ms McVey *So are you saying they lost their bottle since the mini budget on the sort of tax. I'm looking at a sort of a, a chart here. What Jeremy Corbyn would have done and what the Tories are doing. So, we're talking about raise corporation taxes: Corbyn, tick; Tories, tick. Extra tax on high earners: Corbyn, tick; Tories, tick. Windfall tax on companies: Corbyn, tick; Tories, tick. Raid on dividends: Corbyn, tick; Tories, tick. What's going on?*

Mr Crick *John McDonald, Corbyn's Shadow Chancellor, loves all that you know. His policies have come in from another government.*

Mr O'Flynn *Yeah, I mean, I would say from Jeremy Hunt's point of view, you know, he didn't win the leadership by a long way. He's been Sunak'd, and basically, he's now talking about effective corporation taxes.*

Ms McVey *Yes, I like that word. Very political.*

Mr O'Flynn *And it is not a nonsense economically to talk about the effective tax rate. And he, he was giving a very strong hint there wasn't he, about directing specific tax breaks to try and encourage investment to boost productivity to get growth. You know, that's the challenge.*

Mr Crick *And the other thing here, of course, is the thing about these high taxes is it's not just a matter of whether they raise revenue or not, and the questions that you were raising Phil, about whether, in fact, you raised more money by bringing the tax down. But they're symbolic, and the problem with that budget was it didn't just annoy the markets, it was also, I think, it annoyed a lot of the country because it looked like your party was bringing down taxes on the rich and all its friends in business. And that's why, that is another reason why-*

Ms McVey *It wasn't costed was the main thing, and they didn't cut spending was the main thing.*

Mr Crick *The, the, symbol of the symbolism of it plays an important role here, particularly when we're less than two years away from an election. The... and of course, he said he wasn't gonna fight another campaign,*

didn't he? Another leadership campaign. Well, we'll see. We'll see. Never write people off in politics.

Ms McVey *Yeah, we'll see. I did ask the question just in case. Michael Crick. You're staying with us.*

Mr Davies *If he can get away with his changing corporation tax, I'm sure he can get away with standing for another leadership.*

Ms McVey *You're both staying with us. Now, coming up in the next part of the interview with Jeremy Hunt, we asked if the UK has lost its competitive edge with the rest of the world with the taxes at such a high level and what support he'll be giving for energy bills and for the cost of living to the public. So don't go anywhere.*

[Advertisement break]

[Part 3 of the programme]

Ms McVey *Hello and welcome back. It's now 10:36. Loads of your views coming in, particularly what you'd like to see in the Budget.*

Mr Davies *Alan's my kind of Chancellor, he says he wants a rise in personal allowances, a freeze or cut in corporation tax, scrapping the Green Levy and VAT on energy, cutting fuel duty and VAT on fuel, review of business rates and cutting public spending. Well done, Alan.*

Ms McVey *And Michael says Jeremy Hunt has got to scrap the rise in corporation tax at the least, that will give businesses a chance to be competitive in world markets. So glad to have your views keep them coming in. Of course, you've got Michael Crick here, we've got Patrick O'Flynn here, but we're back to that exclusive-*

Mr Davies *Alison says Esther for PM ha ha.*

Ms McVey *Nice one Alison. Well, back to our interview with the Chancellor when we asked, can the UK be a competitive force with such high taxation levels? And how does he propose to support businesses? See, we listen to what you have to say, GB viewers.*

[Pre-recorded interview]

Put it this way, the corporate tax rate, because you're saying, oh, it's good. It's basically saying it's good compared around the world. Well, I'll say that you know the rise in corporation tax and the end of the super deduction for plants and machinery means that the UK drops like a stone from having the 10th most competitive rate in the developed world to the 33rd competitive rate, and that's due to the UK based, er

US based tax foundation. So, are you happy as the Chancellor to preside over that falling in competitive rates?

Mr Hunt *I want our tax rates to be the most competitive. I stick to that. That's what I said in the summer. It's what I believe now. As I say, we can't get there all in one go and stability also matters. A responsible approach to public finances also matters for businesses up and down the country, because without that you can't have a path to lower inflation. They worry about whether it's possible to invest in the UK, so I need to have a balanced approach to doing this. But if you're saying to me, is it my ambition for us to have the most competitive business tax rates? Do I want to make progress? Yes, I do.*

Ms McVey *My timing is next week.*

Mr Davies *You said you wanted growth; growth was really important. The Centre for Policy Studies and the Tax Foundation say that the corporation tax increase alone will reduce GDP long term by 1.2% and that the Bank of England predicts a fall in business investment of 5.5% next year. So that's hardly going for growth, is it? That's doing the exact opposite. That's, that's going for slower growth.*

Mr Hunt *Well, that is why you and I are both Conservatives, Phil, because we believe in bringing tax rates down. But all I would say is you have to do so in a framework that is responsible for public finances. If you don't, we actually have, unfortunately, a case study of what happens if you don't do that. Because that's exactly what happened in the mini budget, where taxes were reduced in a way that, you know, pleased all Conservatives, we were happy to see taxes coming down. But it wasn't in the context that we were able to defend as being responsible with public finances, and the result was that we paid a very, very heavy price as a party, but also for businesses up and down the country where they suddenly said, you know what's going on and what's happening in the markets and what's happening to interest rates, so it has to be done in a responsible way.*

Mr Davies *There's lots of concern in the country, as I'm sure you're aware about energy prices, about fuel prices and the fact that the end of the energy price guarantee is on the cards, that there could be a hike in fuel duty. Um, there's been speculation in the media that you may actually do something to continue the energy price guarantee, that you may actually scrap the increase in fuel duty. Can you share with us what your current thinking is on those two issues? Because people are and businesses are very concerned about both of those.*

Mr Hunt *If I was going to spill the beans on the budget, Phil, it would be to you, but unfortunately, and to you Esther, both to the dynamic duo. But I'm not actually going to do that. Well, let me make one point about energy prices, though. What we need is a pathway to permanently low energy prices where businesses can depend, whatever someone like Putin does in another part of the world, they can depend on a stable, clean, green energy, and the key to that is nuclear. Because we've now got up to 40% of our energy coming from renewables doing things like wind, which is great. But you can't get to 100% because there are times when the wind isn't blowing. The sun isn't shining even in Britain and, uh, even in Yorkshire. Um, and so because of that, you need to have nuclear power. Now that is a two-decade long process. We're aiming for about 25% of our electricity generated by nuclear by 2050. It's the right step, I announced in the Autumn statement, despite the spending cuts I was announcing, that we would be spending £900 million on Sizewell C going forward. We need to continue with that. That's the long term answer to businesses worried about energy costs and to families worried about these wild gyrations in their bills.*

Ms McVey *Now again, I'm going to go back to how I could help you reduce taxes as quickly as possible and not put up the corporation tax. And that's to save you some money because we can't overspend as Conservative governments, we've got to make sure we don't spend what we haven't got. And one of them has to be by getting rid of that white elephant, which is High Speed Two which started off costing 37 billion, now northwards of 150. People, people are working from home. People are doing Zooms online. HS2 seems something that the South seems to think that the North wants. And really, the North would sooner have the connection across the North. That sort of, you know, the powerhouse of the North. And we need that train line there. But really HS2 has sucked money out of that. When are you going to stop HS2, save some money, get things right for the North and bring down our taxes?*

Mr Hunt *Well, Esther, I think you and I can agree on many, many things, that is going to be one thing that we never agree on. But one thing, and I'll tell you why. But one thing I do completely agree with you is the importance of connectivity in the North.*

Ms McVey *But we're losing it because you're pursuing High Speed Two, we're losing our connectivity.*

Mr Hunt *I don't think it's an either or. I think you can do Northern Powerhouse Rail and make that an exciting project. Let me tell you though the core answer as to why it is, um. If we had, uh, if our second cities in the UK were as rich relatively as second cities in countries like Germany, France*

or Japan, our GDP would be 5% higher and we would have much more social cohesion. We have a historic problem in this country that wealth and growth and highly paid jobs have been over concentrated in London and the South here.

Mr Davies *Is there a price at which HS2, where even you would say, well it's now no longer value for money or are you determined to build it irrespective of how much the price goes up to?*

Mr Hunt *We have to do it at a reasonable price. But can I just finish my point, Phil? Because it is really important. If you say, why is it that wealth and opportunity are better spread in Japan or Germany than they are in the UK, one of the reasons is because you can go from Osaka to Tokyo for a meeting and back in a day, and you don't have to move to Tokyo to get a well-paid job. You can grow your business in Osaka, and that connectivity is a really, really important way [Ms McVey talks over]*

Ms McVey *We agree with the connectivity were saying we need them in the northern towns. We can get to London fast enough. We don't need the train to London, we want to get across the North.*

[Pre-recorded interview ends]

Mr Davies *There you go. That was a big area of disagreement wasn't it, HS2.*

Ms McVey *And obviously we've seen this week what's happening with HS2. We're not stopping it, we're just slowing it down. And it's going to be less effective because it is costing so much money. Anyway, Michael, what did you think?*

Mr Crick *Well, I think he's right on HS2. Although I think you're right on HS2 across the North, just-*

Ms McVey *Just three years. They whatever they call it now powerhouse [several speakers at once] and the names that they called [inaudible]*

Mr Crick *I mean, the reason you know the cost of HS2 isn't on one year, it's over, well, it's about 30 years now, and the important thing is that unless you build HS2, you're going to have to renovate the West Coast main line, which I travel up and down all the time. As indeed I imagine you do, and that's gonna take, you know, 10 years of disruption and will drive people off the railways onto the motorways, we'll be very un-green. So, you do you need HS2. It is unfortunate, terribly unfortunate the costs keep going up, but not surprising, perhaps. And I think it's probably a mistake actually to delay, to have this pause, because it will probably end up costing even more because of the pause and the expertise will go off and do other do other jobs.*

- Mr Davies *Let me ask you the same question I asked Jeremy Hunt: you would build HS2, irrespective of what price it reached? There wouldn't be a point at which you said, well, do you know what? Maybe at that price, it was reasonable, but this price is ludicrous?*
- Ms McVey *When he's sucking all the money from every other transport scheme.*
- Mr Davies *Irrespective of how much he ended up costing, you'd still plough on?*
- Mr Crick *Well, the counter point is, so you'd abandon it halfway through, would you?*
- Ms McVey *Oh, I would have abandoned it a long time ago.*
- Mr Crick *It's 40% built to Birmingham, isn't it? It's a tricky one, and whenever you do an engineering project like that, but we are way behind with high-speed rail links in this country compared with Western Europe, and we are suffering.*
- Ms McVey *But like you say, people aren't now doing the intercity, people are now going online, sort of, technology has surpassed what that train line was. Patrick?*
- Mr O'Flynn *Well, I think that Esther, you had him on the ropes. And it's sophistry when he says it's not an either or, because in the current fiscal position, it kind of is. And you know, again, economists have this concept, opportunity cost. And if you have all your railway investment expertise and man-power and capacity going for HS2 then then obviously you're linking of the great Northern cities is going to be behind it in the queue. So, there is a priority there. And, as you rightly said, the business case for HS2 must be way weaker than it was, because we thought we were dealing with an economy where not many people work from home. We thought we were dealing with a £37 billion scheme, and now we're dealing with, you know, £150 billion scheme and the way we work being completely different. And, as you say, the North-South routes, I take Michael's point that he wants to be able to get to Manchester United games from London long time in the future. But last-*
- Mr Crick *I won't be able to afford it I suspect [laughter]*
- Mr Davies *After last week you probably don't want to be able to get there!*
- Mr O'Flynn *So of course, we want good routes from the North to the capital. But it's a matter of priorities.*

- Ms McVey *I think that's why he took the opposite side on this argument to me. Shouldn't be sat so close after that football game.*
- Mr Crick *I forgot about that. No, we shouldn't!*
- [Inaudible cross-talk]
- Mr Crick *On the other side of this, though. I mean, although I am a great HS2 fan, this whole question about whether it helps the North or not. I think it's tricky because, you know, I'm from Manchester and you know, Manchester has seen an enormous...*
- Mr Davies *You're a rare Manchester United supporter being from Manchester, aren't you, Michael?*
- Mr Crick *Well, indeed, although, strictly speaking, I was born in Northampton. But I regard myself as a Mancunian, I went to school there. And, um, you've seen a huge brain drain, from not just Manchester, the whole of the North over the last 50 or 60 years. And the danger is, of course, that if the, if HS2 is even quicker than the two hours five minutes that it is now, you know you'll get people commuting even more than they do now so they come down to London—*
- Ms McVey *[unclear]so the brain drain. This is why the connection of the North was far more imperative than the [unclear]*
- Mr Davies *[unclear] If it was for the benefit of the North you'd have thought they'd have started in the North, wouldn't you, rather than starting in London –*
- Mr Crick *I think they were planning reasons with that. It goes through your seat doesn't it Esther, HS2?*
- Ms McVey *Oh, yes, you know, that's really no benefit. No, to be fair, it doesn't help, really the North at all. And if you see what's gonna happen now that you've got the slow train to the different sort of areas, so you get off at Crew and get on the slow train back to Liverpool and how it works, for many reasons it doesn't work. But I want to get back to his words, words because I think the word of the interview he kept talking about 'responsible', a 'pathway to permanency', a 'journey', which to me it was just all too slow when we're working in a period where I think we need to galvanise the economy and where we're going to get over the pandemic, Patrick?*
- Mr O'Flynn *Yeah, I think, it's a, if I can use the word, it's a corrective to the Kwasi Kwarteng Liz Truss period, isn't it? And he is still obsessed, I would say, with sending out signals to, you know, big business, major investors, global economic think-tanks, that the orthodoxy is back.*

Ms McVey *And it seems to me something's gonna have to take a hit, whether that booze, cigarettes, fuel duty, whatever it is, because he's also talking about benefits for childcare, you know, what they're going to do to get people back into work, and that's gonna be more benefits and support and training.*

Mr Crick *He's got more money, though, because of, because actually inflation means you raise more money saved from VAT.*

Mr Davies *We haven't got any money Michael, we've just got, we've just got, you know, we're expecting to have even less. It's not that we've got money, we haven't got any money..*

Mr Crick *Well, the revenues will have gone up because of I mean, you know paradoxically on this...*

Mr Davies *We're still, we're still borrowing huge amounts of money, still.*

Mr Crick *We're still borrowing huge amounts of money –*

Ms McVey *You mean we've got a bit of headway because we're not paying as much on the energy. We've got some more back on [inaudible] we've saw GDP go up this month –*

Mr Crick *And VAT revenues as well. But I mean, we've spoken so much about taxes, but there are other things that it looks like he's going to do. For instance, I mean, of course, and one of the other great problems about growth is there isn't enough labour in all sorts of, well –*

Ms McVey *Well, we'll be coming back to coming back to that –*

Mr Crick *We'll be coming back to that, right.*

Ms McVey *'Cos we've got another section of the Jeremy Hunt interview, and you're both staying with us.*

[Brief segment on recent Anglo-French summit and agreement on detention with journalist David Chazan]

Mr Davies *David, can I be, be cheeky and ask you –*

Ms McVey *Not like you!*

Mr Davies *No, I know it's not, but you used to be a BBC man. I just wondered what you made of the Gary Lineker situation and whether or not you think the BBC were right to, uh, to insist on their impartiality rules being implemented in his case or whether they've overreacted. And I'd love to know what you thought about that.*

Mr Chazan *Well, look, I'm not sure my personal opinion is valuable, but I mean, I think the BBC does have a problem now because it's dealing with an unprecedented revolt. I mean, Match of the Day is going to go out now without pundits, without presenters, and I mean, I can tell you among the rank and file at the BBC, there is a lot of discontent and a lot of people are saying, well, Andrew Neil, who used to be a politics presenter on the BBC used, was also the chairman of the Spectator, which, as you know, is a right wing magazine and used to tweet a lot of stuff that reflected his own right-of-centre, shall we say, political opinions? He was never pulled up on it, and as far as I could tell whenever he was presenting or interviewing politicians on the BBC, he always adhered very strictly to the BBC's impartiality rules, so there didn't seem to be a problem. Somehow, there is now a problem with Gary Lineker, even though he never touches politics on the BBC, and a lot of BBC journalists are also asking. What about the chairman of the BBC, who was found to have failed to declare the fact that he was somehow involved in introducing Boris Johnson to somebody who then gave him a loan of £800 million who is known to be a Conservative supporter? And then there's the Director-General as well. Who's the former Conservative candidate that no questions were ever raised about that. So, I think the BBC is going to have to review this very, very carefully.*

Ms McVey *And we'll be talking about that later because I was surprised that really the BBC has a, it has to be impartial, but they didn't seem to have a plan in place for people who were or weren't what they could do. I don't know, warnings and what would happen if you did breach those.*

[Further discussion on detention with Mr Chazan and panel]

[Advertisement break]

[Part 4 of the programme]

Ms McVey *Hello and welcome back, this is Saturday morning with Esther and Phil. Coming up this hour, we'll be covering the last part of our exclusive interview with Jeremy Hunt.*

Mr Davies *And this is on the front page of every newspaper today: Gary Lineker's dispute with the BBC, we'll be discussing the fallout from that.*

Ms McVey *And of course, we want your views. You've been sending them in thick and fast. But keep them coming in emails at Gbviews@gbnews.uk. But first, here's the news headlines with Ray.*

[GB News title sequence]

Newsreader *Good morning. It's one minute past 11. Let's get you up to date. The Chancellor has told GB News he wants Britain to have the most competitive business tax rates amid calls to scrap a planned hike in corporation tax. Ahead of Wednesday's Spring Budget Jeremy Hunt spoke to Esther McVey and Phillip Davies on his plans to deliver growth and tackle inflation. He said the corporation tax increase from the 19 to 25% would still leave the UK with a lower rate than nearly all major rivals. But he said he was committed to previous promises of bringing down corporation tax.*

[Clip of Jeremy Hunt interview]

Mr Hunt *What we now have is a responsible outlook for public finances. The markets have recognised that by bringing down mortgage rates, interest rates and we're on track to bring inflation down. But if you're saying to me as a Conservative Chancellor, do I want to bring down taxes? Well, I want to bring down personal taxes because that is at the heart of what being a Conservative is. But I want to bring down business taxes even more.*

Newsreader *And the final part of that exclusive interview is coming up next.*

[Remainder of the news bulletin]

This is GB News. We'll bring you more as it happens. Now let's get straight back to Esther and Phil.

[GB News title sequence]

[Saturday Morning with Esther and Phil title sequence]

Mr Davies *Thanks, Ray. Joining us in the studio throughout the show is the broadcaster and journalist Michael Crick, as well as columnist Patrick O'Flynn. Um, before we go on to the next part of the Jeremy Hunt interview, we just got a few views from our viewers.*

Ms McVey *Because from the last bit of the Jeremy Hunt interview talking about HS2, uh, now Martin says Osaka to Tokyo is 500 kilometers, London to Birmingham is 150 kilometers, 20 minutes saving for £100 billion, utter nonsense is what he says. But Augie says, why shouldn't have, the UK have a modern railway? France, Japan, all of those do, why don't we? In the sense of fairness, there, both sides of the argument.*

Mr Davies *Alistair makes an interesting point, he says if Mr Hunt wants to raise the level of corporation tax then balance this off by creating zones that have a lower corporation tax level. This could be part of the levelling up process to enrich the country north of the Watford Gap. I think he's got a*

very good point. Now in this next section we start by asking Jeremy Hunt, who was the longest serving Secretary of State for Health after all, and who had put in place a pandemic plan, why was it abandoned?

[Pre-recorded interview]

Just to move on finally, to about the pandemic. You were the longest serving Secretary of state for Health. You were chairman of the Health Select Committee. Um, you left a pandemic plan in place. Um, which didn't involve a blanket lockdown. That wasn't what the plan was. Other countries Sweden had the same plan. They stuck to their plan. Why do you think the government abandoned the plan? The pandemic plan that you left behind, and you seem to also support the government in abandoning the plan that you left behind. So, what was so wrong with your plan that it needed to be abandoned? It was, after all, your plan.

Mr Hunt *Well, I am, I think we all have to be humble about the events of the pandemic, because I don't think we did as well as we could have done as a country, although in other ways, our vaccine rollout, we were one of the very best in the world, so there's much to be proud of as well. But in terms of preparations, we did prepare exhaustively. Johns Hopkins University in the United States said we had the second best preparations of anywhere in the world looking back with the benefit of hindsight, and it is with the benefit of hindsight, I can see that we over-focused on preparing for pandemic flu and not for the type of virus that we actually ended up with, which was a Corona virus, [Ms McVey: which is a flu virus.] It's not. It's a different type of virus, but it spreads slightly more slowly, so you have the incubation period, a longer incubation period, which is why looking back on it, uh, the approach that I advocated when I was chairing the Health Select Committee was really to follow what they were doing in Korea and Taiwan, where they avoided national lockdowns by having a much more effective test and trace system.*

Mr Davies *Do you accept that Sweden, which stuck to its pandemic plan and didn't lockdown, did better than countries like New Zealand and China that went from zero infection policy? Do you accept now that Sweden got it right and countries like New Zealand and China got it wrong?*

Mr Hunt *I don't think it was quite so black and white as that, Phil. I think Sweden and the UK we used the law. Sweden used a voluntary approach, but we had broadly fairly similar levels of compliance with the lockdowns. In retrospect, I think there's a lot to learn from what Sweden did, but I don't think there was such a huge difference. I think the key thing is that in the, we were the very best in the world, when it came to getting a vaccine out of the blocks, getting the population vaccinated, getting*

back to normal. We did far better than Australia, New Zealand, China, in that respect. But countries like, uh, Taiwan and countries like South Korea did better when it comes to....

Ms McVey Are we going to see you on the Matt Hancock's WhatsApp leaks? Are we going to see correspondence between you and him? Because we've seen how he said he wanted to frighten the pants off people with the pandemic. Are you going to be revealed in any of the WhatsApp messages?

Mr Hunt Well, obviously I had WhatsApp exchanges with Matt because he was health secretary. I was chair of the committee. I think they're all pretty boring. I'm sorry to disappoint you, but nothing quite as a, uh, salacious as some of the things that we are reading.

Mr Davies Have you been shocked though by the things that you've read about him saying, you know, that we want to frighten the pants off people. Are you shocked by that strategy, or do you think that was a good strategy that Matt Hancock was... would you have done the same as Health Secretary? Would you have wanted to frighten the pants off people as a strategy?

Mr Hunt I'm not going to pile into Matt. I've learned in this job that, you know, in the end, it exposes every last flaw you have when you have a job at a high level in British politics-

Ms McVey And you're a very, you're very, that's a very kind answer there. Just one final question. Did you think when you didn't win the leadership bid, that you would end up being asked to be Chancellor by the person who did win? And did you think you'd still remain there when Rishi became prime minister?

Mr Hunt I didn't think so. Not in my wildest dreams. And to the extent that when I got the text message from Liz Truss asking me to call her, I thought it was a hoax. Um, and so it's been a complete surprise to me. It's a total privilege because I set up and ran my own business for 14 years, and now I've got a chance to help other people who want to follow the same path that I did. But I'm also very aware of the challenges. I think I should also say, I think it's incredible privilege to be Rishi Sunak's Chancellor.

Ms McVey Did you think you'd stay there? Do you think you just couldn't have before another change of Chancellor? Or do you think he wanted you?

Mr Hunt I think, er, you have to ask him those questions. But what I'd say is that I think it's been a fantastic partnership.

- Ms McVey *And did you go to Liz Truss and say, Liz, it's time to stand down now as well. Were you one of those voices that went to her in a final, final question, in her final days and hours?*
- Mr Hunt *No, I wasn't. I wanted to be loyal to her. She had appointed me to the job. And to her credit, um, she agreed to do all the things that I recommended we needed to do to restore stability, at that point, she didn't try and stop them, even though for her politically, they were very embarrassing to do.*
- Ms McVey *I want to thank you for your time. I know it's an incredibly busy week. I now know you're racing off to Cabinet, so thank you for your time that you've given to us.*
- Mr Hunt *Thank you, Esther. Thanks, Phil.*
- [Pre-recorded interview ends]
- Mr Davies *There we go. That was the final part. Patrick, what did you make about his what he said about the pandemic? It still seems bizarre to me that he left behind a pandemic plan and seems perfectly relaxed about the government ripping it up and doing something completely different. Does that not strike you as being somewhat strange?*
- Mr O'Flynn *Yeah, I think it was a very good couple of years not to be on the front bench with ministerial responsibilities because I think he's slightly reinventing things there because I'm convinced I remember video footage of Jeremy almost sort of goggle-eyed with admiration for the ruthless way the Chinese were able to lock down. I think it was China. It might have been another Southeast Asian country. Uh, and you know, he seems to have backed away from that. He was admitting, uh, he went too heavily on the different characteristics of an influenza virus with slightly lower fatality rate but a different rate um, of spreading. Um, I thought it's quite interesting that he said baldly, I do not think we did as well as we could have done as a country. And that is almost the only hostage to fortune. He's a very skilled performer Jeremy Hunt. That is a quote that could be used in an opposition party attack should they wish to go on covid. Although ironically now, if you look down the list issues, the British public thinks the government's done broadly well on, Covid is actually at the top, and there's no thought that Covid is going to bring down the concerns.*
- Ms McVey *He did say a lot of thought had gone into the pandemic plan strategy in 2011. It was revised in 2014 and then it was discarded, and they went against because it was not to have lockdown. They went against. And by the way, all the plans of the 27 other European countries agreed with*

the European Centre for Disease Control. That also wasn't to be in lockdown. And that also got changed and when he talked about similar with Sweden. Actually, Sweden had better as it were mortality rates, and they didn't have all the collateral damage that we have got, and the costs that we've got, with the method that we pursued with that lockdown.

Mr Crick *Well, I think we did, uh, you know, went too far on some of the things that happened during lockdown. But I mean, I just hope now that there are people in Whitehall and in the Health Department and the other relevant departments who are going through both Hunt's plan and what happened and are coming up with a super-duper plan for all the different eventualities next time.*

Mr Davies *Do you think there was a failure of the media that the time, Michael, that it seemed to be that the media at the time the BBC and all these people at these conferences all they ever said wasn't Why are you locking down? It was why you're not locking down sooner. Why you're not locking down harder. Why are you not putting more restrictions in place? Do you think there was a failure of the media to actually put the other side of the argument to ministers?*

Mr Crick *Definitely. And if I'd been a mainstream journalist still, I like to think that I would have been asking those kinds of questions because certainly there were. And you know, there were lots of people, uh, in the general public and commentators elsewhere who were saying that things were going too far. It was too tough; it was illiberal. And it was one of those moments where we weren't I don't think the media effectively did its duty in testing government policy as much as it should have done. But it's all very well for me to say that from the sidelines. I wasn't there. Maybe I would have gone along with the herd as well. But I think that's, I tend to be against herd journalism.*

Ms McVey *That's not you, that's why we got you on today. You certainly don't do that. Patrick. I just want to ask a question. He seemed surprised that he'd been made Chancellor both by Liz Truss, and I think he's slightly speechless when I said, did you think you'd still be there with Rishi? He didn't really know what to say, but he was grateful.*

Mr O'Flynn *Yes, and I think, you know, with leadership campaigns there's sort of heavyweight figures who jump in early for a candidate, there is a tradition of being rewarded. I suspect that Rishi Sunak had somebody else in mind. But when he landed in Downing Street and there still was this market confidence issue and Hunt was seen to have calmed things reasonably well, he just thought, it's not worth it and there's a minister*

somewhere around the cabinet table I think he thought he was going to be Chancellor and maybe now thinks he'll be the next Chancellor.

Ms McVey *Well, if we get some more of those, WhatsApp leaks we might find out who that was.*

Mr Davies *It was I mean, I thought it was a shock that Liz Truss asked Jeremy Hunt to be the new. I mean-*

Mr Crick *She sort of had to, you know, she had to make a radical departure, didn't she? And as you know, punches broadly on the left and stood for the opposite of what she and Kwarteng had done then that was a way of doing it and keeping Hunt was a way of maintaining the continuity, after how many Chancellors? Was it four Chancellors in four months.*

Ms McVey *I think, you know, and the guy you know, you give them a task and he can absolutely deliver. He was seen as an adult in the Cabinet. He has got lots of credible background and his business background. I mean, there were many reasons. How many years? Yeah. Anyway, you're staying with us. We've done that exclusive interview but there's still more coming up. We're going to be talking about Gary Lineker and that fallout this week. Did the BBC overreact? What was their policy? We're talking about lockdown policies and pandemic policies. What was the BBC's impartiality policy and how did they back it up? They didn't know. And we've got the fallout now. Don't go anywhere.*

[Advertisement break]

Ms McVey *Hello and welcome back. It's 11:22, just waiting for it to get to 11:22 there. Now it's been reported on the front pages of every newspaper Gary Lineker has been stood down from presenting Match of the Day after his criticism of the government's new uh, illegal migration bill. I'm looking here, the Guardian: Lineker's suspended over row, Telegraph: BBC faces revolt over Lineker, BBC Stars walkout over solidarity with Lineker.*

Mr Davies *And Match of the Day pundits and commentators have also now refused to work standing in solidarity with him. So, have the BBC overreacted? Or were they justified in ensuring that he abided by the rules on impartiality? Now, Michael, I know you feel very strongly about impartiality in the broadcasting world. I think you still want GB news to be closed down, because you don't think it's impartial?*

Mr Crick *Well, there's more and more Conservative MPs presenting GB News than ever at the moment. Aren't there, you and Jacob Rees-Mogg, Lee Anderson now?*

- Mr Davies *We give the Chancellor a hard time, though, don't we?*
- Ms McVey *There's a bit like newspapers, and you know what they are. There's a complete transparency there. You can sort of judge your views either way, but equally we have to make sure that we ask the questions that equally, as you could see, put Jeremy Hunt on the spot. We ask them from the right rather than always from the left as the media sees us.*
- Mr Davies *Isn't the problem, Michael, is that nobody, nobody doubts what mine and Esther's starting point are, we don't hide our starting point. Whereas the BBC masquerades as being impartial. Well, then actually doesn't actually do, that's much more sinister isn't it?*
- Mr Crick *I will admit that there have been times in recent years when the BBC and indeed other mainstream channels have not been entirely impartial. And there have been certain reporters and presenters and you think, well, I know what you, what you think on Brexit.*
- Ms McVey *It's alright, we know before we go in for the interview.*
- Mr Crick *Yeah, and that was wrong. And the thing is, Tim Davie came in and was determined to crack down on this, uh, and I think he's done so to some extent, and certain key people I'd better not mention, have actually left the BBC and gone and done other things. I think this decision was the right one because Lineker is a flagship face of the BBC, he's paid more than any other BBC person, and the fact that he's freelance rather than staff is only a very minor point. The unfortunate thing is that the BBC allowed Alan Sugar, and has allowed Alan Sugar over the years, to get away with his views, which are broadly pro Conservative government. And he told people to vote Conservative in the 2019 election. And he presents, of course, um what's the name of the programme? The Apprentice, and indeed there are. And you've got the terrible situation of Richard Sharpe as well, now embroiled in this whole issue of the loan to Boris Johnson, and frankly, he should stand down. But the only people are going to make him stand down are the government, so that's not going to happen. So, it's a right mess. I do, I think, broadly this is the right decision because I think it would be very difficult if Lineker is allowed to carry on making his tweets, which has made it clear he wants to. It would be very difficult for the BBC to discipline people at lower levels for doing the same thing.*
- Ms McVey *Patrick, I think the way the BBC's handled this has been quite clumsy, very poor. You know, Gary has been tweeting inappropriately as it were from 2016 on various issues. But surely they should have had a process in place. This is what you do. This is how we tell you off. The first time he might get away with it, we will give you a warning. And after that this is*

what happens. It seems it hasn't and it's all collided. They didn't know what they were going to do. And last minute they take him off air, you know? So, I think the BBC has handled it very badly.

Mr O'Flynn *Well, I think to be fair, Tim Davie's come in and he has tried to put new, tougher rules in place. He certainly warned a lot of the staff to curtail their social media. It's, it's not true that that only apply to people in politics and current affairs coverage. There was a special clause for people with very high profiles too, uh and Gary Lineker not only has repeatedly crossed the line, but he indicated this week he was going to carry on crossing the line as well.*

Ms McVey *It's the arrogance as well.*

Mr O'Flynn *Well, I think in effect he was humiliating the Director-General and I, to be fair, I thought Tim Davie was just going to let sand get kicked in his face but obviously got fed up with that. Now I don't know if the BBC sports department, which is effectively gone on strike, understands this, but I think de facto what they're campaigning for today is the end of the licence fee. Because you cannot have a compulsory licence fee in a politically polarised age, and then allow people who are high profile benefiting from a lot of largesse from that compulsory fee, then wading in with high octane political comments that actually insult more than half the public and the early polling on for instance, the illegal migration bill showed 52% support, 36% opposition. Now Lineker. If I just finished this, Lineker didn't just say I don't agree with this and think we should be more generous. He actually cast doubt on the good faith of the people, putting forward the measures, branded them extreme, used phrases immeasurably, immeasurably cruel, beyond awful. And then the Nazi comparison, That's just not viable. There's no way you can make people who think it's a good measure, as I do think I'm paying this guy –*

Ms McVey *Pivotal moment for the BBC –*

Mr O'Flynn *Huge amounts of money.*

Mr Davies *I mean, it does seem to me that the anything any comparison to the sort of Nazi Germany in the 1930s, I mean Andrew Bridgen lost the Tory whip really over that kind of comparison. I just wonder Michael, what, how are the BBC going to get out of this situation? Because we've got the Match of the Day pundits on strike. The commentators on strike, and I don't know what the production staff are going to do the same now, either, it seems to me, either the BBC is going to have to back down or*

Gary Lineker is going to have to back down or we could have the end of Match of the Day. How do they get out of this situation now?

Mr Crick *I do not know. I mean, Gary Lineker is not going to back down. It's possible, uh, that he would come to an agreement with Davie. Okay, I won't do any more tweeting. I'll put it in writing. But the BBC would have to say that he'd agreed that, that would, uh, means huge loss of face for him and he is really committed to what he's saying on this issue. And I agree with some of what he's saying on this issue. I just don't think he should be saying it, and the same with Davie. I mean, you could end up with a situation where they both go, but which has happened in the past.*

Ms McVey *Massive fallout in that regard. Maybe many people go. But how about what Patrick said? This is the start of maybe the whole change of the BBC, the start of when the licence fee stops.*

Mr Crick *Well, the licence fee's days are numbered anyway, or years are numbered anyway. I think most people admit that, but it could, it could happen sooner than the BBC would want. And this is, the trouble with this particular issue is, I mean, it's not like, say, David Attenborough, on climate change because there is, you know, broadly a consensus on climate change right now, not the speed with which we do it, but most of it. On this. This is, you know, possibly the biggest issue or one of certainly one of the biggest issues in the run up to the next election, and that's why it's so important. And I do think Patrick's right in terms of, uh, well, I, my problem is that if they carry on down this line, then the next it the next time a Conservative government has to consider these issues of the Charter and the licence fee, they're going to be a lot more unfriendly in the same way that they were unfriendly towards Channel 4 over the you know, the ice block, instead of Boris Johnson.*

Mr Davies *Just quickly. You're a big football fan. Why do they pay Gary Lineker £1.35 million a year to host match today? I mean, Mark Chapman, who does the Sunday actually gets £250,000 a year, and he does rugby league as well. And that is why I mean, I don't understand why he's worth all this money. I am I missing something?*

Mr Crick *Well, as well he is. He is an extremely good, uh, so is Mark. But I'd say Lineker is slightly better. Well, presumably they have polling, which shows that he attracts a lot more viewers.*

Ms McVey *Most people don't know the answer why so I'll leave it there.*

Mr Davies *Not, I mean, presumably GB News does polling on you?*

Ms McVey *Yeah, I'm waiting for my 1.35 million fee. Anyway, look, look, stay with us. Uh, for all, but one thing for all of those fans, uh, that feel that they missed out on Match of the Day, then you can join us here, live 10 p.m., for a special GB News sports round up with Mark Dolan 10 o'clock tonight. You've got to do that. But still to go on Saturday morning with Esther and Phil we'll be speaking to GB News viewers and listeners on what they have to say on our big interview, and what they want in the budget next week. Stay with us.*

[GB News title sequence]

Newsreader *31 minutes past 11. I'm Ray Addison in the GB newsroom. The Chancellor has told GB News that he wants Britain to have the most competitive business tax rates amid calls to scrap a planned hike in corporation tax ahead of Wednesday's Spring Budget. Jeremy Hunt spoke to Esther McVey and Phillip Davis on his plans to deliver growth and tackle inflation. He said the corporation tax increase from 19 to 25% would still leave the UK with a lower rate than nearly all major rivals. But he said he was committed to previous promises of bringing down corporation tax.*

[Remainder of the news bulletin]

This is GB News. Back to Esther and Phil in just a moment.

[Advertisement break]

[Saturday Morning with Esther and Phillip title sequence]

Ms McVey *Welcome back at 11:35, where has that morning gone? We're always keen to hear from our GB viewers, and we're joined today by two business owners who may have a thing or two to say following the Chancellor's interview with us. Uh, so joining us now is Rob Baker and Mike Flynn. So let's start with you Rob: As a tech entrepreneur, what did you think about Jeremy Hunt's interview and what would you'd like to see in the budget?*

[Mr Baker and Mr Flynn join via video-link]

Mr Baker *Well, good morning, everyone, I think, as I listened to Jeremy Hunt, the thing that was rattling around in my head, primarily, it was the old Bill Clinton line. It's the economy, stupid. We're 18 months coming up to an election, and, uh, things haven't changed. That's really what it's about. My feeling is that there was, I was disappointed a little bit with what Jeremy had to say, because he seemed to say a lot of the right things but then the movement is to do the opposite and corporation tax is my big thing about what needs to be impacted here, and it needs to be reduced.*

I hear you speak like we want the lowest effective corporation tax compared to our competitors. But to me that that doesn't ring true. It's, it just sounds like it's the absolute measure that really counts most in terms of improving what we need to improve, to make an impact to the economy. The other thing I really want to talk about a little bit about is I'm interested in innovation. And when we think about this country, Great Britain, my take on what the great in Great Britain is, our history of innovating things. We have brilliant genius people that are able to create and lead the world in many products. And I'm thinking a little bit of this mobile phone. We all have one of these in our pocket. Now I'm not sure if people know, but right at the heart of this is a genius piece of British technology that everyone in the world almost, carries around in their pocket. And that is the ARM like processor. Er it was developed in Cambridge and we need to equip the next generation of innovation to do those types of things. And we're not going to do that by setting people up to run 100 metre race, putting a heavy jacket full of bricks on their back on their back and expecting them to be able to perform in world class times. So, for me, the corporation tax. And I know you really hit him hard on this, Esther, and I'm with you on this. He's going to increase it. That's a great shame. We need to reduce it. We need to bring it back to –

Ms McVey *Rob you and I are on the same wavelength. And we were pushing that. Thank you. You've come out with some great points and overly cautious Phil maybe?*

Mr Davies *Yeah, Mike, let's bring you in, you're the director of a railway engineering company. What? What did you make particularly what he said about HS2 and the delays to HS2. Are you a pro or anti HS2 man?*

Mr Flynn *[Inaudible – very poor-quality line] [well I'm a bit of a heretic in the in the industry in that I've always been opposed to HS2, I've never felt it was a very good idea. The history of HS2, it was originally a lobbying effort by the railway industry by particularly an organization set up called Green from one who lobbied very heavily for it. It was really driven by the idea that they had basically very high speed rail on the continent and we should have some here and that was the scope of the argument, and then plans eventually got through the Labour Cabinet saying it was going to be, cost 28 billion, and now it's 77 billion. It's going for, going to be 100 billion, the justification moved from the time savings to build that business confidence back up to the capacity issue [unclear]*

Mr Davies *Rob, Mike, thank you very much indeed for joining us. We always like to get in a clip of our GB news viewers to see what they have to say. We*

like reading out the views, but we like hearing from your direct as well, so.

Ms McVey *Interesting hearing Mike's views there. You know that it's always great everywhere else. Let's have it here. Haven't really thought it through. And, as you say, you know the business case isn't for it and the cost to keep escalating, really good to hear it.*

Mr Davies *It was, I thought I thought Rob made a good point as well and he said that Jeremy Hunt was saying, yes, we want, we want low taxes, we want growth. The words were good, but he was actually, the actions going in the opposite direction.*

Ms McVey *I put it as overly cautious, but was it that? There was a resistance there, wasn't it, saying the right things, but a resistance.*

Mr Davies *Always common sense from our viewers.*

Ms McVey *That's why, that's why they're on the show now, not just reading their emails out. We get them on!*

Mr Davies *Now. It's the best week of the year next week.*

[Remainder of the programme on Cheltenham horse races and 'showbiz']

[End]