

# Pre-Election Budget – More Political Than Economic?



Released on: April 20, 2010, 12:08 am

Author: [Reed Global](#)

Industry: [Financial](#)

The 2010 budget has been met with minimal reaction and is very much regarded as a pre-election buffer budget designed not to rock the boat and consequently lose votes. The last budget before the general election has come and gone – a budget, which it must be said, has generally left businesses with more questions than answers.

The overarching aim seems to be to increase borrowing, provide small businesses the best possible platform to maintain business and reduce anti-social behaviour through alcohol/tobacco tax increases.

Unsurprisingly, the budget – as they tend to be just prior to an election – contained a great deal of political rhetoric and not a great deal of financial detail.

As a result, businesses are left wondering how exactly the government – should it be re-elected – will tackle the UK's massive deficit. Businesses are left wanting greater clarity on what public sector spending cuts are to come.

A strong indication of stability was required from the budget, so businesses can make decisions without worrying whether the rules are going to change. Businesses would also have been looking for signs of fiscal competitiveness for the UK.

There is a genuine sense of cynicism from business leaders over this budget, with many believing there will simply be another after the election. Reed Finance Divisional Director, Tim Vye, comments: 'Clearly, this was a fairly neutral budget, with the package of measures amounting to just a fraction of one percent of GDP. With an election around the corner, it always had the potential to contain more politics than economic policy.' 'The biggest concern we hear from our clients – large and small – is their anxiety over the UK deficit.

'Whilst arguments are thrown amongst the political parties about how fast and when to cut, most employers simply want one clear message – so that they can form business and hiring plans accordingly.

Industry commentator Alex Miller shares his views on how this [budget will affect your UK businesses](#).

For more information on [finance recruitment and jobs](#) offered by Reed Specialist Recruitment, please visit their website [reedglobal.com](http://reedglobal.com).

~~~~~

Press release distributed via EPR Network (<http://express-press-release.net/submit-press-release.php>)