



Budget Guide

Introduction

Since May 1997 the Treasury presents two economic forecasts per year. In Spring the Chancellor presents the Budget, and in Autumn, the Pre-Budget Report (PBR) is released.

For a copy of the Amicus response to the last PBR [click here](#).

Budget Broadcast

As soon as the Chancellor returns to his seat, information is made available to Members of Parliament, the public and the press. Details of the Budget measures are generally contained in a number of press notices.

The Chancellor of the Exchequer traditionally makes a Budget Day broadcast to the nation during the evening of Budget Day. The broadcast provides the Chancellor with a further opportunity to outline the intentions and ideas to the public.

The Opposition Parties have an opportunity to respond in their own broadcasts during Budget week.

Fiscal Rules

The Government's two fiscal rules are:

The Golden Rule – over the economic cycle, the Government will borrow only to invest and not to fund current spending; and

The Sustainable Investment Rule – public sector net debt as a proportion of GDP will be held over the economic cycle at a stable and prudent level.

Background to the 2006 Budget

Economic Outlook

The Chancellor will present the 2006 Budget on Wednesday 22 March. This will be Gordon Brown's tenth Budget.

According to Treasury forecasts real Gross Domestic Product (GDP) grew by 1.8% in 2005, considerably slower than the 3.2% growth rate achieved in 2004. Despite the slowdown the economy has grown for 54 consecutive quarters. Independent economic forecasts predict GDP growth of 2.1% in 2006 and 2.5% in 2007.