

Leading Trade Body Urges Chancellor to Cut VAT

Submitted by: Shepherd PR Limited

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Thousands of painters and decorators in the UK are today calling for Chancellor Alistair Darling to play fair with the country's building industry by cutting the VAT rate.

The Painting and Decorating Association (PDA) – one of the largest trade bodies in the construction and maintenance sector - is joining other building industry groups to campaign for a five per cent VAT rate in this week's Budget.

They say that a cut would kick start the recession hit UK economy by persuading thousands of hard-pressed households to carry-out home improvements and, therefore, protect scores of jobs in the painting and decorating sector and the wider building industry in general.

The campaign follows a vote by European Ministers to remove the final obstacle to a reduction in VAT on building repair and maintenance work.

This decision gives national governments the discretion to move away from the general 15 per cent rate of VAT to help the building sector ride out the recession.

Paul Marsden, chief executive of the PDA, said: "In the past the Government's reason for not cutting VAT was due to Europe failing to agree. With this obstacle removed, there is no reason why the British Government cannot introduce a lower VAT rate in the Budget on 22 April. Europe's politicians have given Gordon Brown and Alistair Darling the freedom to act.

"We need real support for the construction industry to preserve jobs and continue to invest in the infrastructure of the UK."

The PDA represents over 2,500 professional members – ranging from sole traders to large-scale national contractors across the UK.

It has recently joined forces with other organisations in the Get Britain Building coalition to campaign for a better deal from the Government for the building industry.

www.paintingdecoratingassociation.co.uk

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Notes to editors:

1) The Painting and Decorating Association was established in July 2002, following a merger of the British Decorators' Association and the Painting & Decorating Federation. The British Decorators' Association was originally founded in 1894.

This new organisation is Britain's largest trade body, dedicated to the painting and decorating trade. Members include sole traders through to large-scale national contractors employing hundreds of operatives.

Decorators looking to become members of the PDA are rigorously vetted prior to admission. Members are

committed to the highest standards in health and safety practice, as well as training development.

The PDA is proud of its long history and high standards, and a registered member can be relied upon to do a good professional job at a fair price.

2) The vote to allow cuts in the rate of VAT took place during a meeting of the ECOFIN Council in Brussels and paves the way for EU member states to apply VAT cuts for a range of goods and services to help companies (especially SMEs) navigate their way out of hard economic times, and retain or create jobs.

3) Politicians elsewhere have already voted in favour of lowering VAT on building repair and maintenance work:

the European Parliament held a debate on 19 February 2009 – and MEPs passed the vote by a 600+ majority

the Welsh Assembly held a debate on its National Housing Strategy on 10 February 2009 - and AMs voted to make representations to London

the Scottish Government announced it was in favour of lower VAT on 23 November 2008 and 2 March 2009, calling for a cut in the next Budget.

4) The Get Britain Building coalition is demanding a cut in VAT as part of a 10 Point Manifesto which sets out a platform of policy and tax decisions the partners want Gordon Brown and Alistair Darling to adopt if construction is to get through the worst economic hardship the country has endured for many years. The Manifesto is available at: www.getbritainbuilding.org.uk

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