

THE ECONOMY: BUDGET SPEECH

Read the text and do the exercises provided below

As we can now all testify, this country's economy is strong and getting stronger. Our measures to curb inflation have proved highly successful. The rampant inflation of the previous government is a thing of the past. Inflation currently stands at 2 per cent. The strength of the current economic climate suggests that interest rates are unlikely to be raised again this year. This should help us to build up a culture of investing for the long-term.

This Government has steered the economy through seven years of uninterrupted economic growth; a trend which is set to continue with our major success in stimulating growth. And in the latest quarter, the economy has been growing at an annual rate of 2.5 per cent.

All indicators show that industry is thriving. But we are particularly proud of the steady growth experienced by small businesses. We have made it our aim to safeguard their interests and the healthy economy we have created has enabled them to increase output. The plummeting profits caused by previous government's misguided policies are now safely behind them.

Our goal is to establish world-class public services through investment and reform in order to ensure that taxpayers receive real value for money. Public spending goes to provide strong and dependable public services. These are vital to extend opportunity, tackle social exclusion and improve people's life chances.

The taxes that we levy allow us to allocate resources to achieve that goal. And we have met with considerable success. In particular, we must now build on the success of the climate-change levy we introduced last year.

Another of our goals is to win the battle against the black economy. If left unchecked, the black economy – I think here particularly of the loss to our economy of undeclared earnings and other tax evasion practices – will push up costs and lead to rising unemployment. This government is committed to its eradication.

A. Match the beginning of each sentence with its ending.

Beginning	Ending
1. The government is finding it very difficult to curb	exclusion.
2. The country is suffering because of the current economic	interests.
3. Although heavy industry is in decline, service industries are	money.
4. The CEO is anxious to safeguard his company's	evasion.
5. New machinery has enabled the factory to increase its	resources.
6. The tax authorities plan to tackle the issue of undeclared	output.
7. The budget plan explains how we intend to allocate our various	thriving.
8. We must tackle and solve the problems caused by social	earnings.
9. It is now widely accepted that there is a large and considerable degree of tax	climate.
10. I have no problem with imposing burdens on business to improve, for example, the environment, but we need value for	inflation.

B. Write the OPPOSITE of the underlined words in these collocations (use the words from the text).

1. to invest for the short term - to invest for the _____ term
2. to restrict opportunity - to _____ opportunity
3. declared earnings - _____ earnings
4. falling unemployment - _____ unemployment
5. stunting growth - _____ growth
6. soaring profits - _____ profits
7. private spending - _____ spending
8. to reduce costs – to _____ costs
9. to lower interest rates – to _____ interest rates
10. to abolish a levy – to _____ a levy

C. Complete the sentences using words from Ex. B (either those underlined above or their opposites) in the appropriate form.

1. The government has more control over _____ than over _____ spending.
2. Tax inspectors make spot checks to ensure we do not have any _____ earnings.
3. If you have a steady and secure income, then it may be sensible to invest for the _____ rather than the _____ term.
4. _____ unemployment is a sign of a healthy economy.
5. If the government wants to slow down the economy by _____ interest rates, then a company's costs will be _____ and so their profits may _____.
6. A progressive government will want to _____ opportunity and to _____ growth.
7. A political party might think it was a good idea to slow growth down but it would be very unlikely to say that it wanted to _____ growth.
8. The government has decided to _____ a levy on commercial waste collection in order to encourage recycling.

D. Find the words in the text that match the following definitions.

1. very dramatic, uncontrolled – _____ (adj)
2. the process of getting rid of something completely - _____ (n)
3. to protect something from harm – to _____ (v)
4. to take someone or something or make someone or something go in the direction in which you want him, her, or it – to _____ (v)