

Government responded to the petition you signed

Petitions: UK Government and Parliament" <no-reply@petition.parliament.uk>

To: -- xxxxxxxxxxxxxxxxxxxxxxxxx

Friday, 29 April, 2016 1:15

Dear Andrew Duck,

The Government has responded to the petition you signed – “Guarantee British savers and investors that cash will not be abolished”.

Government responded:

There are no plans to abolish cash from use in the UK.

There are no plans to abolish cash in the UK. This petition makes reference to Andrew Haldane’s (Bank of England Chief Economist) comments about the possibility of negative interest rates. The decision on where to set the base rate of interest (monetary policy) is the responsibility of the independent Monetary Policy Committee (MPC) of the Bank of England. The MPC has the primary objective, set out in law, of maintaining price stability for UK goods and services. This objective is defined in the MPC remit, which is reaffirmed by the Chancellor each year, as an inflation target of 2 per cent as measured by the twelve month increase in the Consumer Prices Index.

Setting the Bank of England’s base rate of interest is the MPC’s primary macroeconomic policy tool, designed to affect the economy as a whole in order to meet the inflation target over the medium term. Andrew Haldane’s comments were focused on medium term questions for the future of central banks such as the Bank of England and not on an immediate policy decision. He made no mention of the desire or intention to “abolish the use of cash”, but did consider, hypothetically, the case for the central bank issuing digital cash, either alongside or instead of physical cash.

HM Treasury

Click this link to view the response online:

https://petition.parliament.uk/petitions/109727?reveal_response=yes

The Petitions Committee will take a look at this petition and its response. They can press the government for action and gather evidence. If this petition reaches 100,000 signatures, the Committee will consider it for a debate.

The Committee is made up of 11 MPs, from political parties in government and in opposition. It is entirely independent of the Government. Find out more about the Committee: <https://petition.parliament.uk/help#petitions-committee>

Thanks,

The Petitions team

UK Government and Parliament