

## Liked the parrot nailed to the perch; growth is no more...

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As the [Office for National Statistics](#) reports this morning:

- \* UK gross domestic product (GDP) is estimated to have increased by 0.3% in Quarter 2 (Apr to June) 2025, following an increase of 0.7% in Quarter 1 (Jan to Mar) 2025.
- \* GDP is estimated to have increased by 1.2% in Quarter 2 2025, compared with the same quarter a year ago.
- \* In output terms, growth in the latest quarter was driven by increases of 0.4% in services and 1.2% in construction; while the production sector fell by 0.3%.
- \* Real GDP per head is estimated to have grown by 0.2% in the latest quarter and is up 0.7% compared with the same quarter a year ago.

Rachel Reeves's dream for growth is fading away. Liked the parrot nailed to the perch; it is no more. It is ex-growth.

So, what will she do now? Her choice is between austerity and injecting more government spending into the economy when it is obvious that there are unused resources in the country, including the labour of vast numbers of young people who cannot secure jobs that match their aspirations and who want to work. She could deliver well-being without the risk of inflation if she wished, but will she?

Our fate lies in her hands.

I have a horrible suspicion that she will make the wrong choice. Her debt paranoia will see people's lives go to waste. It would be unforgivable if that were to happen.