

Trade frictions within the UK

Yesterday in Parliament I raised the issues of trade friction between the GB and Northern Ireland again in the Commons. I will post my speech when it is available.

I was pleased that Michael Gove now accepts there are important issues to be sorted out and is engaged in talks with the EU, the Northern Ireland Executive and the Republic of Ireland. Maybe he can get an agreement to sort these matters. If not he will need to legislate urgently in the spirit of the EU's acceptance that Northern Ireland is fully part of the UK's single market and customs area to ensure the smooth flow of trade between GB and Northern Ireland. Our border officials need to know that goods destined to flow between different parts of the UK should pass as easily as between London and Surrey when it comes to excise, VAT and goods checks. The idea that there would be lots of people seeking to evade goods checks into the Republic by routing things through Northern Ireland and claiming them to be UK domestic trade is wrong. Most of the trade we are talking about is large supermarkets supplying their stores in Northern Ireland, or deliveries by Trusted traders and large hauliers who wish to keep their privileged status and good record with the authorities.

I did not vote for the EU/UK Agreement because I had worries both about Northern Ireland and fish which I highlighted in the debate. These remain real issues and need urgent attention to tackle them.

COVID-19 Vaccine Deployment Update

I have received this update today on the Covid-19 Vaccine Deployment programme nationally. In Wokingham, the programme is proceeding on schedule and constituents should wait to be contacted about when they will receive the vaccine.

Dear John,

We are writing to you to update you on the latest important developments on our deployment of COVID-19 vaccines.

We are delighted that by the end of 1 February, 9,646,715 people in the UK have been given their first dose of a COVID-19 vaccination. We have now vaccinated almost 9 in 10 over 80s.

We set the ambitious target of offering a vaccine to all eligible elderly care home residents and by the end of January we met that target. This is an incredibly important step in the fight against this terrible virus. Elderly

care home residents were rightly prioritised because they are the most at risk and we have done everything we can to protect them.

There are a small number of care homes who have not been able to get vaccinated due to an outbreak, but all elderly care homes where it is clinically appropriate have now been offered the first dose of the vaccine.

This is the biggest vaccination programme in NHS history. It has been a huge national effort, bringing together the NHS family, primary care networks, hospitals and the tens of thousands of amazing volunteers.

Looking ahead, our vaccine supply and scheduled deliveries mean we are on track to offer vaccinations to all those in JCVI priority cohorts 1-4 by 15 February. While meeting this target is a challenge, we are on track to meet it.

The latest statistical release for England can be found at the link below, and we are committed to publishing more granular data, as soon as is feasibly possible.

<https://www.england.nhs.uk/statistics/statistical-work-areas/covid-19-vaccinations/>

Despite this success we know our NHS continues to be under serious pressure. So, it is vital that we all continue to follow the rules: stay home, protect the NHS, save lives.

Yours ever,
MATT HANCOCK
NADHIM ZAHAWI

[The need to make and grow things at home – national resilience](#)

The UK fought two massive and bruising wars in the last century. On both occasions the UK state declared war on Germany without having the military resources in place to be able to defeat German armies on the continent. The story of each war was the same. Initial disasters for the expeditionary forces, skilled and brave but outnumbered, had to be followed by a massive scaling up of commitment. Vast citizens armies had to be recruited and trained. The UK had to rely on and build alliances to assist in victory. On both occasions getting the USA involved was particularly important. On both occasions the government had to transform our economy, turning much production over to a war footing, to make sure we could produce the guns, ships and planes needed to sustain major conflict from our own resources in our own factories, and growing enough food to avoid starvation. In each war the German strategy of trying to cut off our overseas trade by lethal

submarine and surface raider attacks proved difficult to contain and threw us back on to more and more domestic self reliance.

The fact that we started each war with a professional military which could expand and change under the need to build a citizen army helped. We could also create, train and equip a much larger airforce, from scratch in 1914 and from a small one in 1939. The fertility and relatively clement climate for growing temperate foods also helped, with flower gardens and parks being tilled for vegetables. The excellence of UK technology, with leads in several fields for both wars also assisted. As we study those events today we should of course redouble our efforts to make sure we do not need to plunge into such vast conflict again. We should also learn the crucial lesson, that you cannot defend your country unless you have sufficient production capacity to supply and replenish a war machine in wartime conditions. It is no good relying on imports, licensed technology controlled by others and basic foods from abroad if you need to win a serious war.

In 1914 and 1939 we had our own coking coal, steel furnaces, tank, gun and ship designs and chemical factories to make explosives. In 1939 we had some great private sector aircraft designs which could be built at speed and scale. Many factories making discretionary consumer items could be flipped to war production. Furniture factories could even make the wooden Mosquito plane to add additional numbers to the airforce capability. In a remarkable drive the UK reached output of 26,000 planes a year in 1943 and outproduced Germany in planes over the war as a whole, whilst the US ramped up from 2141 planes in 1939 to a massive 96,318 in 1944.

Today when planes and ships are more complex and expensive than in the 1940s we struggle to produce more than a handful. Procurement is very dependent on overseas supplies, and NATO action rests on interoperability and shared capacity with allies. The UK needs to have plans for how it would cope were one or more of our allies to fall into hostile or unfriendly hands, and have plans on how the UK would sustain herself in war conditions. That requires ensuring we have control of the main technologies which we could use for ourselves if needed, and control over sufficient production capacity with raw materials or access to them. It also means remembering it is good to be able to feed yourself to a sufficient standard as part of national resilience.

Having sufficient control over wider technologies, raw materials and skilled labour is also helpful in less stressful times, when the wars are fought with words and laws over trade issues with tariffs, export bans and the like. As the world trends towards more national self reliance, the UK should look more to herself in important areas so we can cope in adverse circumstances.

More urgency needed to rebuild our fishing fleet

Question:

To ask the Secretary of State for Environment, Food and Rural Affairs, if he will take urgent steps to help expand the UK fishing fleet. (142753)

Tabled on: 25 January 2021

Answer:

Victoria Prentis:

The Government remains committed to supporting the fishing industry and our coastal communities. The Trade and Co-operation Agreement with the EU reflects the UK's new status as an independent coastal state, and we have taken back control of our fishing waters. By the end of the five-and-a-half-year period, the share of fish in our waters which UK boats will catch will rise from half to two thirds.

The Government is supporting the opportunities available to the UK's fishing industry and has committed to providing £100m of investment to rejuvenate the industry and coastal communities across the UK. Further details will be set out in due course.

The answer was submitted on 02 Feb 2021 at 13:07.

Free trade and the retreat from globalisation

I accept the theory of free trade, that all nations would be richer if they traded freely with each other. Successive rounds of GATT followed by the work of the WTO have boosted world economic activity a bit.

I also agree that for any individual country in theory it could be better off if it went for unilateral free trade, on the grounds that it would benefit from cheaper imports, though would not gain extra opportunity for its exports. I do not however recommend such a policy because it does assume that other countries would not exploit the perceived weakness of a country welcoming more imports without demanding something in return. Were other countries to accept the freedom to sell to that country and at the same time exploit it by making imports from it more difficult it might harm the country making the unilateral offer. It can also lead to strategic weakness by being import dependent on countries that may later become hostile or unhelpful.

Trade theory assumes rational economic actions by others, when they may act in a harmful economic way for other reasons.

I am a free trader who believes in offering to remove tariffs and barriers in return for similar offers from trading partners. Today we must recognise that there are strong winds of economic nationalism. President Trump called out China for her trade and IP practises. He moved to ban certain Chinese trade in goods in technologically sensitive areas, and imposed tariffs in an attempt to stem the tide of imports. President Biden is continuing with the same policy albeit with a different choice of diplomatic language. He is reinforcing the idea of making more things in America to replace imports. China retains higher tariffs than the west, controls inward investors through joint ventures and restricts access to some markets.

There have always been cultural and administrative restrictions on free trade and investment in countries claiming to believe in open markets and the free movement of capital. Some UK companies have found it very difficult to invest and work in France and Germany despite being members of the single market for many years. UK retailers for example, reckoned to be world leaders in our early days in the EEC/EU, were unable to build profitable chains of shops on the continent. There have also always been aggressive strategies pursued by some countries to grab market share for their companies and put others at a disadvantage. We have just seen some of this over vaccine production and supply within the EU.

Given the avowed America First, EU first and China first policies being pursued currently, the UK needs to do more work on import substitution and domestic capacity. There is a fixation with marginal changes to export volumes and opportunities, and too little study of how we can become more independent in timber, energy, fish, temperate food, and much else besides. The recent expansion of vaccine production here at home has been a great strength and shows what can be done when there is a concerted effort to use our new freedoms to good effect.