

Tier 4 and school openings

During a very busy and long day yesterday I joined on line conference calls with Health and Education Ministers and their senior officials to tackle issues about the pandemic response locally.

I was assured that computers will continue to be made available for on line at home learning where needed by qualifying families. Many have been supplied and more will be coming, as it is important that where an on line education is offered all have access to it.

Ministers confirmed that they do wish exams to go ahead this summer, with appropriate adjustments by Examining boards to take account of some pandemic disruption to normal learning. Year groups most affected by public exams will return soonest to school in January.

Ministers recognised that late changes to school opening dates and other arrangements are not ideal, but pointed out there has been a rapid acceleration in the spread of the virus and changes in NHS advice which has required some changes.

The NHS experts insisted that the only thing we can do prior to greater roll out of the vaccines is to cut down drastically on social contacts, other than those essential to work, food buying and other necessities. They were particularly worried about New Year celebrations.

I have not been notified of any worries about the way our local NHS is coping, and send my renewed thanks to all those NHS staff who are working hard to handle CV 19 cases.

Where are the EU and UK giants of the technology revolution?

One of the many things that should give us on this side of the Atlantic pause for thought is the way Europe has failed to produce the large global players of the digital transformation.

The UK and the EU have many talented and well educated people but none of the exciting corporate giants of the internet revolution.

Most of our software comes from Microsoft, our social media from Facebook and Google, our phones and pads from Apple or a far eastern source, much of our on line shopping goes to Amazon, a lot of internet entertainment comes from Netflix and Disney. We zoom to our friends and relatives and Teams for our

businesses and professions.

The main challenge to US dominance worldwide has come from the separate and differently policed Chinese system, spawning mighty Baidu, Tencent and Alibaba.

The EU response to the attractive offers and great service the US giants offer us is to look for ways to tax them more and regulate them more to penalise them for their success. The question we should be asking is how can we do it better? How can the UK if not the EU create the right climate and policy background so we can encourage giants of the new age to emerge here as well?

As we pass from the EU's single market to our own we need to learn from the EU's mistakes. There is the hostility to enterprise and small business, with legislative solutions favouring costly and intrusive regulation suited to incumbent large companies trying to keep out challengers. There is very prescriptive regulation which makes innovation more difficult.

We need to tackle three main areas of concern

1. Encouraging a large population of start ups, self employed consultants and small businesses, to try out ideas and innovations. No more IR 35.
2. Encouraging growth of the most successful into larger companies, with ready access to the large UK capital markets to fund future ideas and expansion.
3. A tax and regulatory framework for the largest success stories which is sensitive to their needs as global players requiring good access to the wider world , whilst also paying their dues and being good corporate citizens for the wider UK.

My speech during the debate on the European Union (Future Relationship) Bill

My speech from today's debate is available to watch here:

<https://parliamentlive.tv/event/index/72f1ffe9-c018-4739-9834-cb9bbf56968c?in=13:34:32&out=13:37:41>

The text of the speech will follow shortly.

Sovereignty

The legal advisers to the ERG have stated that the EU/UK Agreement clearly sets out the sovereignty of the UK. There is no recourse to the ECJ, and the UK can pull out of the Agreement unilaterally if it wishes. I set out the relevant text on this site recently illustrating these matters which they confirm.

They also accept that there are unresolved questions in Northern Ireland under the Withdrawal Agreement. This new Agreement is silent on them. There is a five and a half year wait until the UK can take all or most of the fish catch in UK waters.

This form of Agreement around a free trade proposal will still require UK Ministers and Parliament to use or assert sovereign rights to change laws and administer trade and industry matters in our national interest. It is one thing to be legally sovereign, it is another to use the powers to diverge from EU laws and practises where that makes sense for the UK. We are not truly independent unless we feel free to vary matters as we wish.

I have spent the last few days pressing the government to clarify its approach to the legal acceptance of independence. In particular I have asked for three main things

1. Early legislation in areas identified on this site to improve the UK tax and business regime in UK interests
2. A strong fishing policy based around better standards of marine environmental protection immediately, and plans to recruit and provide a much bigger UK fleet of trawlers and associated harbours and food processing to take advantage of the modest extra quota available now and taking proper control of our fish in 2026
3. Greater clarification and resolution of Irish border and tax issues

How the EU single market and customs union damaged the UK economy

Conventional wisdom says that the UK received an economic boost from joining the EEC, wrongly called the Common Market at the time. It also alleges there was a further boost from the EEC transforming itself into the EU and completing its so called single market in 1992.

I believe in checking the data. If you looks at the graphs and charts of our economic output there is no sudden favourable burst in 1973-5 when we first joined, and no sudden surge in 1993-5 when the EU announced single market

completion. Nor is there any sign throughout this period of any upward tilt in our economic performance, however slight. If you gave people the charts and asked them when a significant favourable event occurred they would not have chosen 1973 or 1993.

Worse still is that in practice both our time in the Common market and in the single market impeded our growth and helped destroy important parts of our industrial base. These were the years of big decline in everything from fishing to steel and from market gardening to shipbuilding.

The 20 years from 1953 to 1972 prior to our entry into the EEC saw the UK grow by 95%. That was a growth rate of 3.4%. I have left out 1945-1952 as years obviously boosted by recovery from a war and affected by demobilisation.

The next twenty years in the Common market, 1973-92, saw our growth slump to just 42%, under half the previous 20 year period. That was an annual rate of 1.76%

If we then look at the 28 years 1993 to 2020 when we were in the single market and customs union, total growth was 59%. That was an annual growth rate of just 1.66%. I have taken the OBR forecast for 2020 as we still await the end year number.

So we grew much slower in the EEC/EU than out, and slower still once the restrictive and bureaucratic single market was completed.