

## [My intervention during the Economic Update from the Chancellor, 17 March 2020](#)

**John Redwood (Wokingham) (Con):** I am delighted that the Chancellor recognises the need for burden-sharing on employment costs in badly affected sectors such as tourism, travel and hospitality, but will he also make sure that there is a package for the self-employed, because some of those people are losing a large amount of their business, too?

**The Chancellor of the Exchequer (Mr Rishi Sunak):** My right hon. Friend has written about the importance of employment support, and I look forward to getting his thoughts on those measures.

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## [My intervention during the statement on Covid-19, 16 March 2020](#)

**John Redwood (Wokingham) (Con):** Will the Secretary of State make sure that in the legal powers and guidance will be provision to ensure that all our councillors who are over 70 can participate fully in council and committee meetings from their home, using technology?

**Matthew Hancock Secretary of State for Health and Social Care:** Indeed, technology has a huge role to play in helping people to get through this.

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## [My intervention during the debate on Income tax \(charge\), 16 March 2020](#)

**John Redwood (Wokingham) (Con):** Will the Government look again at the issue of the hospitality, travel and leisure industries? Some of those businesses are losing not just 10% or 20%, as they might in a normal recession, but the bulk of their revenue. Do they not need some revenue-sharing with the Government? Could we have a scheme like the German one to keep workers in work for a bit when they have a major loss of demand? I have declared my interests in the Register of Members' Financial Interests—they are not in

this particular sector.

**Edward Argar Minister of State (Department of Health and Social Care):** My right hon. Friend is right to highlight the challenges for particular sectors that are posed by what is currently happening, and he is right to mention the hotel and hospitality trade. Alongside the measures set out by the Chancellor last week, my right hon. Friend the Secretary of State for Digital, Culture, Media and Sport continues to have discussions, not only within his Department and across Government but with the sector, about what can be done to ensure that it gets the appropriate support that it needs as a sector.

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## Wokingham food availability

This afternoon in Wokingham there was food in supermarkets and in the marketplace. The fruit and veg stall holder told me he had had a busier day than at Christmas, usually his record period. There were early afternoon some gaps in provision, in shops which had started the day with good quantities and ranges.

It would be helpful if people stopped buying large stockpiles for freezers and cupboards, and if those with stocks used some of their stock items. The government does not want to have to bring in a complex and expensive system of formal rationing. The supermarkets have improved things a bit by a very mild control on the numbers of any given product people can buy. If the hoarding continues there may need to be tightening of these conditions.

So when you are next in the shop ask do I need this now? If so can I make do with one or two and not buy two extra for some other time? And remember there may be a nurse or power supply worker or broadband engineer coming into the shop late after a shift to buy an evening meal. Have you left something for them, as you are relying on them doing their job?

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## The twin crises

The government have many difficult decisions to make. They are mainly seeking to manage the virus. The science tells them it does not have medicines to prevent the virus nor to treat it. Understandably with a new virus there are many limits on what scientists can tell us about it. The science Ministers draw on is epidemiology. It comprises a series of guesses or forecasts of how the infection may spread around the population, and how many people may die

as a result of it. They usually die by compounding other health problems.

These graphs rest on the figures from China, Italy and elsewhere where it is a bit more advanced than here. None of the figures can be that reliable. No country has been able to test enough people to know how many at one time in a country actually have the virus. There is an element of chance as to whether a death is ascribed to the virus because the person was tested, or ascribed to the other health conditions because they were not. There is still a lack of clarity over whether you can catch it twice.

The epidemiologists agree that if a country cuts the rate of increase and the total number of cases by enforcing segregation of people, the virus may spread again once the restrictive measures are removed. They also think people will become better able to fend it off after they have had it once, so as more people have experienced it so there are fewer hosts in the population for a new virus attack.

At the same time the government has to manage the economic crisis which the heavily restrictive measures to deal with the virus creates. As an economic commentator I can give the government a much clearer view of the economic damage the measures will inflict, and can explain how their economic response needs to be much bigger given the extent of the damage.

The short term hit to the economy is going to be a much bigger decline in output and incomes than is normal in the first quarter of a nasty recession like 2008-9. More than a fifth of the economy will face little or no custom as hotels, bars, restaurants, pubs, clubs, leisure and pleasure events close down. There will not be many discretionary purchases either, as people put on hold any plans for new cars, new homes, or larger household items. High Streets will be largely deserted or locked down.

If the state does not come up with ways to sustain employment many people will lose their jobs. Many businesses will go onto care and maintenance or will go into wind up, bereft of revenue and purpose.

The epidemiologists cannot give us a date by which the controls can be removed and the all clear sounded. The thought that this may drag on for many months, with some seeming to say we can only relax the controls when people have been successfully vaccinated with a vaccine still to be developed and approved, will ensure many more people lose their jobs and their businesses.

Government needs to weigh very carefully the balance between the health crisis and the economic crisis. Measures that damage the economy are only worth taking where there is considerable certainty they will save a material number of lives. The case for a major cash injection to offset the damage to companies and people is overwhelming if the close down has to endure more than a couple of weeks.