My interventions during the debate on Transport, 5 February 2020

John Redwood (Wokingham) (Con): I am grateful to the hon. Gentleman. Would he accept that the UK has done more than practically any other country in the world to cut its carbon dioxide emissions since 1990, whereas China, for example, is greatly expanding its coal extraction and coal power? What is the Labour party's message to China in the run-up to the conference?

Shadow Secretary of State for Transport (Andy McDonald): My message is that our country is about to miss its own targets for the fourth and fifth carbon targets, and that is an appalling record. That is on the Government's own statistics, so we really need to focus on getting our own house in order.

…

John Redwood (Wokingham) (Con): Does my right hon. Friend agree that a lot of our public want us to bust congestion and get people on the move, so that they can get to school and work more easily? That requires short-term measures to improve junctions, change light arrangements and so forth, and medium-term measures to put in bypasses and additional capacity. That is a very green thing to do, because then we stop people churning out emissions in traffic jams.

The Secretary of State for Transport (Grant Shapps): I agree with my right hon. Friend on the importance of stopping those pinch points, where traffic just idles, pumps out all this CO_2 and creates pollution. That clearly is not sensible, so we have a big programme in place; we are putting £28 billion into our roads. We will shortly be announcing more developments on our road investment strategy, RIS2, and getting rid of more of those pinch points. It is also important to get the traffic that runs on those roads to be greener and to get greener quicker, with electric and other forms of lower carbon and zero carbon production. I will talk a little more about that shortly, but I am clear that simply saying that we will not build any roads anywhere will increase pollution and the toxins in our atmosphere, not reduce them.

The targets have to be tough, and they have to be challenging. That will help to focus the minds not just of the consumer and business but of Government, and that is absolutely right. Targets also have to be viable and practical. That goes to the point made by my right hon. Friend the Member for Wokingham (Mr Redwood). It will not be easy to meet these goals if we simply try to do it by destroying industry along the way. That point is easily forgotten, but if we do forget it, we will not get the miracle that we have had of a 42% reduction in the amount of CO_2 at the same time as a 73% increase in the size of the economy.

Meeting with Heathrow over noise and airport development

I met the management of Heathrow again recently. They are consulting further on the development of the airport, and will early next year consult on possible flight path changes.

I reminded them of the noise increases constituents have experienced since the change of the Compton Gate and routes and pressed them again to change back. I also urged them to make faster progress with new technology that allows air traffic control to slow planes at distance from the airport to remove the need to stack over built up areas, with the extra noise and risk that entails. I also revisited the issue of on angles of descent and climb to get planes higher over Wokingham, and on work to reward airlines with quieter fleets and good conduct by pilots.

If you are troubled by noise report it to the Noise line at Heathrow, and put in your views to the airport over how in future we need less intensive routes over us and other measures to ensure quieter flights.

Why is income per head so much higher in the USA than the EU?

If you read the World Bank figures for per capita GDP in 2018, the last annual figures available, you will see that the USA has the highest figure for GDP per head of any of the larger countries, and is ranked 8th in the world. The EU comes in well below its levels, some 42% lower in GDP per head.

The table is always led by a few smaller rich countries with special advantages like oil and gas reserves or a high concentration of rich people or their bank accounts. The US at $62,641 is well ahead of the EU at $36,532.

The UK is high by EU standards at $ 42,491. Only Germany amongst the larger countries is higher , with France, Italy and Spain below the UK.

The gap between the USA and the EU has been growing in recent years, and clearly grew again in 2019. The USA has lower unemployment, higher in work incomes, lower tax rates, more successful technology companies and more small businesses than the EU as a whole.

Much of the media spend their time criticising the USA and features of its economic model. Their personal dislike of Mr Trump spills over into a series of campaigns against US policies and conduct they think could be criticised.

They rarely or never do the same to policies and conduct of the EU.

In the interests of fair and neutral reporting they should from time to time ask what the US gets right, and what the EU gets wrong. The large gap between the GDP per head and employment results between the US and EU implies some of the US policies of promoting growth make sense and are worthy of study. The persistently high unemployment in much of the Eurozone and the slow pace of growth in countries like Italy should be matters of concern.

As the UK sets out its own policies to promote greater prosperity we need to learn from both the best in the world and from the mistakes around the world. It is clear from the figures the US has a better tax system and climate to promote innovation and small business than much of the EU manages.

Damage to car industry confirmed

Today's figures show that over the last year to end January new diesel car sales in the UK collapsed, falling by 36%, as a result of the heavily negative attitudes towards diesels. Petrol car sales also fell, whilst battery and hybrid sales rose strongly from a small base. Fully electric vehicles are still only 2.7% of the market. In the month of January alone overall new car sales fell by 7.3%.

It comes as no pleasure to report my forecasts proved accurate when I warned that the higher tax rates, squeeze on loans, new regulations and general hostility to diesels would do damage to the new car industry.

Banning diesel, petrol and hybrid cars

Norway wants to end diesel and petrol car sales by 2025. France intends to ban their sale from 2040. This week the UK announced a planned ban on their sale from 2035. Each country will be asked when they are going to ban these vehicles at COP26, the big international Green conference planned for the end of this year in Glasgow.

The thinking behind this is that if countries are serious about net zero carbon dioxide output by 2050, they need to phase out new vehicles, new heating systems and new machines that still produce CO_2 soon. They need to do so well before the cut off date for ending their use . Many of these substantial investments or purchases last for many years. They are replaced with long gaps, particularly for domestic heating, so governments have to think ahead.

The issue of vehicles poses a range of problems for legislators as the government wishes to go this route. Will there be any exemptions for defined classic and vintage vehicles that people wish to keep as part of our heritage? When it comes to banning the use of these vehicles as opposed to just stopping the purchase of new ones, will there be any compensation to those who have old vehicles that still work and which they rely on? How will all these vehicles be scrapped to put them beyond use?

The aviation industry is suggesting that maybe it can meet targets if it is allowed to burn plant based fuel or fuel from waste rather than aviation spirit from oil. If planes are allowed this, presumably surface transport could also use this method rather than having to go electric. Electric vehicles still have problems with torque for larger vehicles and heavier loads. Different fuels may not in themselves offer zero carbon dioxide, so aviation may need other policy supplements.

The government is probably concerned that last year,2019, only 1.6% of the cars registered in the UK were all electric despite a £3500 subsidy for each vehicle. Conventional diesel and petrol cars were over 90% of the market. The policy to move to banning these popular vehicles has already hit demand and factory output for them. This new announcement is likely to put more people off buying new diesel and petrol vehicles and hybrids as well, but may not persuade them yet to buy a new electric. It may also deter manufacturers from developing the new hybrid models some are planning, if the opportunity to sell them is now only through a narrow window before banning in 2035.

Many potential buyers are awaiting lower prices, more subsidy, some reassurance about how electric cars will be taxed, better range, more charging points, faster charging and many other features. Some are also waiting to see if an alternative technology emerges to meet the CO2 requirement without relying on a battery.

Meanwhile governments are impatient to reduce or remove subsidies to electric cars. The UK subsidy is scheduled to be phased out in due course , whilst China withdrew subsidy at the end of last year. There is also the large looming issue of how will the tax gap be made up if there is wholesale conversion to electric, which will hit the big taxes raised on petrol and diesel.