

Stop interfering in industry

The government is running up huge bills on industrial interventions that fail to deliver good results. Its ill judged price control on domestic fuel led to the bankruptcy of a large number of suppliers without preventing a subsequent huge surge in the prices consumers have to pay. taxpayers are now going to be sent a big bill to make good the losses at Bulb, now under state ownership.

Many industries which need to burn a lot of gas and or use a lot electricity have faced 20% VAT, carbon taxes and the Emissions trading scheme. this has made energy a lot dearer to U.K. industry than in many foreign competitor countries. this has led to the need for some offsetting* energy subsidy to U.K. industry. this is normally less than is needed to allow the U.K. to be properly competitive but an effective reduction is some of the penal taxation.

I read that the government is now concerned about U.K. steel's lack of competitive prices. Why doesn't it simply remove the special taxes on manufacture? It is a nonsense to impose carbon taxes here to price us out of the market, only to import energy intensive products from elsewhere with added CO2 from all the transport.