

Room for tax cuts

The new fiscal framework set out yesterday by the Chancellor should allow scope for some tax cuts in the next budget. It is important these are not crowded out by further increases in spending. Tax cuts are the quickest way to boost real incomes and stimulate the economy. People should be able to spend more of their own income.

As the world economic slowdown continues, led by a world manufacturing recession, it is important the UK has an economic stimulus. The US is growing faster thanks to past big tax cuts, spending increases and recent interest rate cuts. Yesterday the Bank of England once again continued their squeeze, refusing to join the ECB, Fed, and the Central banks of China, Australia, Brazil and all the others that are cutting rates to provide an economic boost.

The NHS

The important principle that people like and support is that healthcare should be free. We should all have free access to the NHS, and should expect to receive timely and good quality treatment in proportion to our health needs.

The only major departure from this was when Labour in the early years of the NHS introduced charges for prescriptions and glasses. Subsequent governments of various parties have given more exemptions to prescription charges whilst continuing with them and from time to time increasing them.

The NHS has never been a fully nationalised service. Labour's original establishment allowed GPs to be private contractors, running their services from private premises as many still do today. The NHS has always relied on the private sector to supply its drugs, bandages, food and other supplies. For many years under governments of all three parties the NHS has employed private company contractors in various locations to clean and cook, to provide a range of services to hospitals and surgeries.

Nor has the NHS ever insisted on all its supplies coming from the UK. Where foreign companies have developed good drugs that UK manufacturers do not have the NHS is willing to import them. The NHS is also cost conscious and usually negotiates a bulk discount or special terms reflecting its buying power.

Most people do not mind the NHS drawing on the best supplies from the private sector as part of its activity, as long as the core proposition of free good quality NHS care is maintained. The present government has no intention of deviating from this. These are common principles and practices shared by

Labour and Conservative governments in office.

Appointment times for local patients

I am pursuing again the issue of booking appointments with GPs, as I have had some complaints. It is important that the additional money being made available to the NHS helps local GP practices to have easy access booking systems, and pays for sufficient GPs on duty to allow early appointments.

People often cannot be sure when booking an appointment whether they have something seriously wrong and whether early treatment is needed. Anyone in need of a doctor's advice or treatment anyway wants to press on with it as quickly as possible. No-one wishes to be ill and wants treatment promptly if there is a good treatment available.

A new fiscal rule

A sensible boost to our economy is affordable whilst having a balanced budget rule for all current spending. Labour's massive spending plans would plunge us into debt on a huge scale, damaging confidence and squeezing the private sector. It would lead to higher taxes for the many.

What do free trade agreements add?

There are so many misconceptions in current debate about the nature and value of a Free Trade Agreement.

The first is, you do not need a Free Trade Agreement in order to trade with other countries. The UK in the EU has no free trade agreement with either the USA or China, the two largest economies in the world, yet we have a large trade with both of them.

The second is trading as we do under World Trade rules there is no WTO requirement to impose tariffs on imports. We do so because the EU tells us to impose tariffs on food and cars, not because the WTO makes us. Once we leave we can decide whether to remove those tariffs or not. There is no

requirement to impose tariffs on say drugs, and the UK government has made clear it would not do so.

The main reason we can have a successful trade with the USA and China and can have one with the EU after we leave is the existence of WTO rules. A country cannot impose higher tariffs against us than they impose on everyone else. Free Trade Agreements are allowed under WTO rules for countries wishing to go further than the relatively low advanced country tariffs reached under WTO rules so far. The facilitation of trade Agreement ensures smooth borders for the transit of goods between WTO members. All EU countries are members.

Free Trade Agreements can add a bit to trade by removing the remaining tariffs and a few other barriers that still exist under WTO rules. They are nice to have but not essential. It would not be worthwhile making big sacrifices to get one. They are gently mutually beneficial and for that reason countries do not pay to get them.

It is odd that Remain campaigners both claim a free trade agreement with the EU is essential to our continuing trade with them, but try to prevent any free trade agreement with the USA. It's a typically contradictory position to adopt.