

## Cheap labour can be a dear option as well as a wrong one

The airwaves are alight with the demands of anti Brexit MPs and commentators to let more economic migrants into the UK to take low paid jobs in hospitality, care, agriculture and other sectors that got used to a steady stream of eastern European migrants to carry out the less skilled work. We are told of shortages of people to pick crops, serve in cafes and clean care homes. At least it provides a welcome refutation of all those anti Brexit forecasts of mass unemployment we used to get.

One of my main motivations coming into politics was to promote prosperity and wider ownership for the many. I have always sought to propose and support policies which would help more people find better paid work and to acquire a home and savings of their own. I do not like the cheap labour model. I have also recognised that we cannot simply legislate for everyone to be better paid. Each person who wants higher pay has to go on a personal journey, acquiring skills, experience, qualifications that justify the higher income. Every company and government department has to go on a journey to help promote higher productivity to provide the higher pay people rightly aspire to. One of the crucial debates in the referendum was the debate about free movement and low pay, with Brexiteers saying they wished to cut the flow of people accepting low pay from abroad, to help raise pay here at home and promote more people already legally here into better paid jobs.

Just inviting in hundreds of thousands of people from lower income countries in the EU is not a good model for them or us. Many of them live in poor conditions and sacrifice to send cash back to their wider families. They may not be able to go on a journey themselves to something better. It may work for the farm or business by keeping labour costs down, but only at the expense of pushing the true cost more onto taxpayers. Low paid employees may well qualify for benefit top ups for housing, Council Tax and general living costs which the state pays for. Each new person arriving needs GP and hospital provision in case of illness or accident. They need school places if they bring a family with them. They need a range of other public services from transport and roads to policing and refuse collection. The country has had to play catch up in many of these areas given the large numbers of people who have joined us in recent years. The EU once suggested a figure of Euro 250,000 was needed for first year set up costs for a new arrival. The biggest cost is of course the provision of housing where the state plays a big role for those on low incomes. The need to build so many more homes creates unwelcome political tensions in communities facing concrete over the greenfields.

There is also in practice a cost to the businesses they work for and a loss to the wider development of the economy. If a business has easy access to low paid labour it will put off looking at ways at automating or providing more computer or machine support to employees to raise their productivity. If farms find cheap pickers they do not provide the same support and demand for

smart picking aids or machines. We live in a period of digital turbulence, when artificial intelligence, robotics and digital processing of data and messages are transforming so much. Harnessing more of these ideas could both power greater technological development and associated businesses here in the UK and could boost productivity and therefore potential wages in the businesses they serve.

The UK and the EU has spent the last two decades leaving much of the digital and robotic revolution to the USA. It is time to catch up. Successful harnessing of it will spawn more new large companies and offer the chance of higher pay from higher productivity.

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## What should we offer illegal migrants?

There is a big divide in our society about people who cross the Channel by small boat to gain entry to the U.K. Some presume these people are asylum seekers or economic migrants from poor countries that we should help. Others are angry that the U.K. spends its resources on picking them up from the Channel and the placing them in accommodation with free board allowing them plenty of time to try to establish eventual legal entry. They point out these people cannot be asylum seekers as they are coming from France, which is a safe country. The migrants themselves are often frustrated that they are detained and not allowed to work whilst legal processes grind on.

Opponents say why cannot we return them, having made clear they are breaking the law by seeking passage without permission. They have often given substantial sums to criminal gangs to help them reach our shores, and have risked themselves and their families in unsuitable and overloaded boats. They have sought to cross on of the world's busiest shipping lanes in very vulnerable vessels. They must have calculated the U.K. will rush to their assistance because they and the people smugglers have chosen to put them at risk.

Supporters of the arrivals say we have a duty to rescue people from their own deliberate mistakes, and should show sympathy for people who are so keen to join us.

I would hope most could come to agree that people putting themselves at risk like this is undesirable, and devoting so much sea patrol and rescue resource to this dangerous criminal Business unsatisfactory. The Home Secretary has promised new clearer law in the U.K. and a more united effort to crack the smuggling gangs and put them out of business. It should be an aim which unites most of us. I believe the Home Secretary wishes to do this, but has found the current law unhelpful for the task and is looking to amend it. She has also initiated an enquiry into the recent actions of Border Force in

going into French waters to pick people up, when the French should have taken them back to safety in France.

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## Time for the UK to tell the COP26 main players some home truths

There is a part of the UK establishment that is always keen to belittle and run the UK down, claiming we are small and unimportant now we have left the EU. They ignore the facts that we are the second biggest contributor to NATO, a member of the UN security Council, the fifth largest world economy, a member of the G7 and the Commonwealth, and an important influence on world events. This autumn sees the UK chairing the COP 26 Climate conference, shortly after we chaired the G7.

There is however one important area where I agree with them that we are small and not very important, and that is in the list of countries and regions that put out the most carbon dioxide. Ironically here the establishment seem to think it is the UK that has to do so much more, when all the figures show attention needs to be focussed on the Big three carbon generators, China, the USA and the EU. Between them they account for 52% of the world output compared to our 1%. In other words if the UK eliminated all its carbon dioxide output it would have the same effect on world figures as the Big 3 cutting their output by just 2%.

China is still saying she intends to increase her massive carbon output further this decade before finding some ways to start to curb it. China needs to be challenged on her large and growing output. At 29% of world CO<sub>2</sub> she is by far and away the biggest single source. If the UK eliminated all its CO<sub>2</sub> that would not fully offset one recent year's growth in output by China. The USA has just experienced four years under a President dedicated to increasing US output and use of cheap fossil fuel energy. He successfully boosted US output of oil and gas to help power an industrial renaissance by onshoring investments that had gone abroad and expanding US output. The new President thinks this was a wrong policy but has yet to announce the ways in which he intends to redirect US activities. We await a detailed plan with timetables on how to get US people out of their internal combustion engines cars, eating less meat and putting in electric heating. The EU too has a similar issue. Germany remains wedded to a major car industry which largely sells diesel and petrol vehicles. The country burns a lot of coal and says it intends to keep coal in its power mix at least until 2035. How is this compatible with the EU's aims? The EU is around one tenth of world carbon dioxide production.

As Chairman of the Conference the UK needs to challenge the USA and EU to produce timely and convincing plans of how they will achieve demanding targets as early as 2030 as it is difficult to see them hitting them on

current policy. All major participants need to see that if they do not get a much better offer from China and other leading emerging market countries world emissions will continue to grow.

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## **Brexit**

The European Movement still will not accept the result of a big democratic vote. They have sent me and doubtless many others a glossy brochure designed to show what they see as the bad news of Brexit. They urge us "to build back our ties with the rest of Europe", code no doubt for trying to rejoin. Had remain won I suspect they would have used such a win to justify every federal scheme and every further removal of power from the UK which the EU has in mind.

So what are their latest quibbles? Gone are the absurdly wrong forecasts of a house price collapse, a jobs collapse, a GDP collapse as the UK looks forward to its best year of growth for a long time now at last it is out. Instead of a jobs collapse the UK discovers it is short of people for all the jobs that are being created. They still want us to try to re enter the Erasmus scheme instead of backing the new UK scheme which will help many more UK students. They bemoan a loss of certain EU monies, when the UK has promised to spend more than we were getting under EU rules. They are worried about rights of refugees and of EU citizens settled here, yet this has all been taken care of. They are right to highlight problems with fishing and Northern Ireland, but these of course stem from having an Agreement with the EU instead of running our own affairs. They should blame their EU for those troubles.

When people ask me what have been the wins so far, I say the biggest win is the right of our country to decide for itself what to raise in tax, what to spend, what to pass into law, who to negotiate Treaties with and how to contribute to the treat causes of prosperity and democracy worldwide. It is true that many of these freedoms have not yet been used. Much opportunity lies ahead, as a Brexit public seeks to educate an anti Brexit establishment into the joys and advantages of making our own decisions and making government accountable directly to us through elections in a way Commissioners never were. There are so many areas where we can do better now we are free to do it our way, which I have often set out here.

We have already seen the big advantage of attracting our own vaccine solutions and production capabilities, drawing on the excellence of UK science. We will create Free Trade Agreements with Australia, New Zealand and the TPP as well as keeping all the FTAs we and the EU held jointly. We have detached ourselves from the pressures to join the Euro or to send ever bigger transfer payments to relatively rich countries on the continent.

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## Letter to Transport Secretary about season tickets

Dear Grant,

I am glad the railway has considered the issue of season tickets and discounts in a new era of flexible working where many full time employees will become part time in the office . I raised this early in the pandemic with Ministers and the industry.

The response of a 15% discount for eight tickets a month is disappointing and inflexible. It is in the railway's interest to encourage more use of the excessive capacity it currently provides. No one can be sure they want just eight returns a month.

The model to adopt should be a rising discount model. The more you travel your chosen route the cheaper the extra journey should become. The accumulating discount could be a quarterly system, or a longer or shorter period. The first time you went to the office it would be full fare. The second time there would be a small discount, with a progressively higher discount. Frequent users would end up paying perhaps just a 20% fare for an additional journey.

This would give most of the advantages of the season ticket which allows additional journeys over the basic five returns a week free, whilst always giving the railway marginal revenue from more travel. It also incentivises travellers to go more often. If a traveller choose off peak the fare would be an off peak one. The railway will need to see if the peak changes and be ready to change peak period pricing to reflect travel reality.