

The Prime Minister's letter to Mr Tusk

The faltering and badly drafted letter to Mr Tusk is unacceptable, asking as it does for a delay of three months in our exit from the EU.

188 Conservative MPs made clear our opposition to any delay last Thursday in the vote, with another 12 unable to support the Prime Minister's motion to delay. Our actions, allied to Cabinet dissent, has persuaded the Prime Minister to drop the idea of a long delay for no stated purpose which I characterised here as the phantom option.

The Prime Minister has decided to appeal to Labour and SNP MPs to vote for a short delay were she to be granted one by the EU. The letter both says she could not take the same deal back to the Commons for a vote this week under the Speaker's ruling, and says she will bring the same Agreement back next week after the Council for a third vote. It does not explain how this happens. The suggestion is getting Council endorsement for the documents Parliament has already considered somehow makes a difference. The letter asks for the extension to Article 50 only to pass consequential legislation following approval of the Agreement. The letter is silent on what happens if the Agreement is voted down again or not voted on at all, though it implies we leave on 29 March with no extension.

What should the EU make of this? Many of them will feel the Prime Minister has told them before she can speak for Parliament and will get her deal through, but is still 149 votes short of a majority at last count. She has told them she would meet the timetable, only now to have to confess she cannot. They will doubtless want her to answer questions about why she wants the extension, how she would use the time, and above all why should they believe this time is different and the Agreement will go through.

They would also be wise to ask her how sure she is she could pass delay through the Commons, given the strong hostility of two thirds of her party to any such proposal. She would need to demonstrate she had a clear and reliable understanding with the Leader of the Opposition that he would provide enough MPs to offset the 200 Conservative MPs known to be against delay. This cannot be done by even a large Labour backbench rebellion but would need the Leader of the Opposition to take joint responsibility with the Prime Minister for delaying Brexit and whip accordingly. This seems unlikely, as there is little in it for Mr Corbyn to enter coalition with the PM over Brexit when any firm position on the subject splits his own party more.

The Prime Minister's 8 pm Statement is

delayed

Does this mean they are rewriting it? Can it be different from what she and the Brexit Ministers told the Commons this afternoon?

Apparently a request for a long delay has been cancelled!

Good news that maybe the Prime Minister has now understood she must not ask for a long delay.

No delay

The referendum result must be fully implemented on 29 March 2019 as the law states. Mrs May lost the support of 200 Conservative MPs when she proposed a delay in Brexit in Parliament last week. The EU can see from that vote she does not even speak for her own governing party when she asks for a delay. She cannot tell us how long a delay or why!

Jobs and pay continue to grow

Contrary to gloomy pundits the start of this year has brought more good news in the jobs market. 222,000 additional jobs were added in the last three months to end January, meaning more people with an income from employment to pay their bills and improve their lives. Pay sustained rises of 3.4%, usefully ahead of price inflation, so the average earner will have a bit more spending power as a result.

Now would be a good time to reinforce these favourable trends. Given the growing weakness of the Euro area economy and the slowdown in China, it would be helpful if the government would tax a bit less and spend a bit more. The figures show higher tax receipts than planned. They also show continuing reductions in taxes like VED and Stamp Duty where the rates have been set too

high to maximise the revenue, whilst damaging activity and putting people out of work in the affected areas.

All parties agree that the best way out of low income and poor living standards is to get a job, and the best way to get a decent job is to work up from a lower paid job. Good employers help train an individual to realise their skill levels and therefore raise their pay. As unemployment is now quite low and as some employers are complaining they cannot attract the workers they need, it is even more imperative for companies to work with the people they have got. Value, them, train them, pay them better and get their productivity up. The UK is good at creating lots more jobs, but needs to get better at increasing productivity. The aim must be a higher wage higher productivity economy.

Unemployment is now at a 40 year low and employment at a new high. 76% of all people of working age are in jobs.