

A faster growing UK

Our first year as an independent nation out of the single market and customs union should see us record one of our fastest ever growth rates. The Remain establishment forecasts put it as a likely 6-7% assuming a trade deal. They exaggerated the importance of the trade talks to growth but for once I agree with their ballpark estimates. No Deal would also have delivered good growth next year.

It is true a lot of the growth will come from recovery from the severe lockdowns of 2020. A far important assumption than a trade deal is that restrictions on the UK economy will be progressively relaxed as the vaccines are rolled out and as the pandemic subsides.

What we need now is strong government action using the freedoms we gain on 1 January to boost this growth rate further. The government should take VAT off a range of items often mentioned here before, once we have the freedom to do so. It should rejig the proposed agricultural subsidy policies, to give more of a boost to home produced food in substitution for the flood of imports from the continent. It should remove all tariffs from Mediterranean and tropical produce we cannot grow for ourselves, to let UK consumers buy tariff free from non EU destinations.

It should build on its current High Street plans to foster conversion of unwanted retail and office space into housing, service and leisure uses. It should put in the Freeports and Enterprise Zones more quickly than current plans. It should redouble technology education and training., It should drop IR 35 and improve the tax and regulatory package for small and start up businesses. It should use government procurement more intelligently to back UK small business where they are competitive or innovative.

On public spending they should start to rein in excessive or wasteful spending. As we get people and business back to work – the sooner the better – the large financial support schemes can be wound down. Private healthcare should be returned to the private sector. There should be a new railway timetable geared to sustainable passenger volumes post pandemic.