

Brexit wins

It is most disappointing that the government has not replaced the EU economic controls with better ones, has not removed or improved much EU law and paid so much to the EU over a long transition. All this has served to hide two large wins that we are now benefitting from.

The main feature of the EU over the years has been an aggressive law making activity designed to take control of more and more areas of life away from member states into EU hands. To pull off this power transfer in so many areas the EU also often finds new reasons to extend government power over business and people. People find that they have not just experienced a transfer of government power from national government but also an increase in government power. They face ever more laws and regulations in total.

Now we are out this feature stops. We can now control the pace of new laws and subject them to democratic debate and vote in Parliament. There is more scope to stop a bad or unwanted law in the UK Parliament than one passed by qualified majority pressed through by the Commission in private in the Council.

Since we left we have avoided 71000 new Directives and Regulations already along with many amendments and decisions that are also binding on members.. That is a big saving in costs and some protection of our freedoms.

We are also now enjoying most of the savings of the annual £12 bn tax we had to pay into the EU. We have increased NHS spending by much more than these welcome savings.

Best of all we have ducked any share of the massive new debts the EU has decided to take on now we have left. As they borrow 900 bn euros our share would have been 150 bn.

My intervention on the UK Trade Performance Ministerial Statement

Sir John Redwood (Wokingham) (Con):

I am grateful for the statement. It is wonderful news on exports; it shows that all the pessimism at the time of the referendum was completely wrong. I fully support the approach of the Secretary of State in delaying the target for battery vehicles, because people are not buying them in enough quantities, but will she add to that by adopting the advice of Stellantis not to fine motor manufacturers here for producing good petrol and diesel cars before people are ready to buy electric ones, because that is putting off investors?

Kemi Badenoch (The Secretary of State for Business and Trade):

I understand the point that my right hon. Friend makes. This is something that we have heard from some bodies in industry. The auto sector is giving us two different messages. Some people want us to bring the mandate forward and make the change faster; others want us to delay it. It is a very tricky balance. We understand the concerns. We do not want to put additional burdens on business, so he is right to make that point. I have made representations to the Transport Secretary, but this is his policy area, and he will make the ultimate decision.

The government should not lurch right but get it right

There is a run of commentary urging the Prime Minister to avoid a lurch to the right. I agree with them that saying so called right wing things in the hope that people will come back from Reform is not going to work.

The government needs to carry through its stated policies of cracking down on illegal migration and making big reductions in legal migration as promised. It needs to cut taxes more and set out a path to lower tax rates after the election. It needs to tackle the productivity collapse in the public services and get more people into better paid work. It needs to actively promote growth.

The commentators should grasp that a lurch to the left is also a very bad idea. The pro EU Conservatives have in the past done Labour type damage to country and party. Edward Heath in office lurched to the left introducing price, wage and dividend controls, presided badly over a strike, put us into the European Community and duly lost the election. John Major pushed us into the European Exchange Rate Mechanism. This delivered a boom/ bust disaster as a few of us predicted . It led directly to a colossal electoral defeat when the full damage of this EU policy became obvious. It was only a worse Labour Boom /Bust in 2009 that got Conservatives back into office. Theresa May tacked away from the Brexit she was meant to deliver and devised a bad social care policy. She managed to lose an election, only clinging on with help from the DUP. She lost support of many Conservative MPs for wanting a Labour style sell out to Brussels.

Similar voices to those who lost us those three elections and three Prime Ministers are now urging Rishi Sunak to backtrack on lower taxes and lower migration, encouraging him to cosy up to the EU, regulate more things and be governed by the views of international lawyers. History tells us this is a bad course for Conservative leaders to follow.

Trade hits new records

Remain tried to make out Brexit was mainly about trade. It was of course mainly about taking back control, giving us the right to make our own laws, set our own taxes and spend our own money. They also asserted it would damage our trade to leave. They said we would not even be able to roll over all the EU trade deals we were part of. Treasury, Bank, much of the civil service and Remain parties pushed out these lies continuously. The Treasury famously summed up its conclusions by saying wrongly that leaving would "push the UK into recession and lead to a sharp rise in unemployment." Their severe shock scenario meant an extra 800, 000 unemployed and a 6% fall in GDP!

So what happened?

After the vote unemployment fell and the economy grew. Trade went up.

The UK did roll over all the EU trade deals into UK trade deals and in some cases negotiated improvements to them.

The UK went on to agree a trade deal with the Trans Pacific Partnership countries. The UK also at some needless political cost signed a trade agreement with the EU.

The government has recently released figures for what has happened to our trade since the vote and since we left. Our service exports have doubled since 2014 to non EU countries (2016 was a little up on 2014) and risen by more than a half since 2016 to the EU.

The UK is now the second largest exporter of services worldwide after the USA. We are now adding service sector chapters to trade deals which the EU was unwilling to do.

Total exports are up from under £600 m in 2016 to £862 bn in the year to February 2024. They are up by a third to the EU and by considerably more to the rest of the world.

A divided party won the local elections

Labour did well in the local elections. Being hopelessly divided on big issues did not stop its success. Its former leader remains banished. Some of the Corbynites remain on the Labour benches arguing for more Corbynite

policies. The party is deeply split over the Hamas/ Israel war with some wanting a much tougher anti Israel line and some worrying about anti semitism . It is split over the Reeves wish to follow OBR austerity economics. There are many keen promoters over a speedier path to net zero shocked by the dumping of planned public spending to try to up the pace. All those who want to nationalise much more and tax much more are kept quiet or played down.

I point this out as a minority in my party argue that if all Conservative MPs supported everything the government does we would jump in the polls. They say divided parties cannot win. So how did Labour manage it? How did Margaret Thatcher pull off 3 great wins, when the Wets as they were then disparagingly called tried to undermine her continuously?

The way to win is to govern well. It is to allow robust debate about issues, policies and out turns. A leader needs to listen, adopt the best ideas, and be prepared to make the case for his choices.

To win Rishi Sunak needs to get legal migration well down, cut taxes for all, curb excessive public sector losses, recapture lost public service productivity and resolve public sector strikes.