

Bring on the extra energy

The Regulator's announcement that they are seeking more gas supplies for the winter seems late when it has been obvious for a long time that we could be short of energy . There was a similar delay in coming to the late conclusion we needed to keep some coal fired power stations instead of demolishing them all, given the need for back up power for cold days with no wind. As it has turned out they have been running coal stations on and off throughout the summer on low wind days as well.

The best answer is still to get more UK gas out of the ground. The government changed policy some time ago to urge more UK production. The Chancellor's Financial Statement included some energy projects without time frames or details of how much extra production they could release. There were several potential prospects that we know about missing from the list. The Energy Ministers need to push hard to get the licencing authorities to expedite additional production on fields already producing, and speed the link in of fields discovered close to existing production capacity and pipelines to be tied into those facilities. None of this need take too long, and the sooner we have more domestic production the better.

This should not be contentious. Home production means the big tax revenues on such activities goes to the UK Treasury, not to a foreign government. It means more better paid jobs here in the the UK rather than abroad. It means less CO2 is generated than if we imported LNG, which creates more than twice as much CO2 as domestic pipelines gas. It takes a lot of energy to compress, cool, transport and convert the gas back which you do not need to do with gas flowing down a domestic pipe. It means more gas delivered to home customers with secure supply.

Evendons Lane

A tanker stuck in a sink hole on Evendons Lane is very disruptive to local travel and to the local school. I have written to the company to urge them to take more rapid action to remove their vehicle so the road can be repaired as quickly as possible. They are well aware of the need to sort the problem out but claim it will take time as they need to get a crane in. The sooner the better.

Conservative economic policy

Yesterday we heard the Chancellor defend his tax cuts and explain the need for more supply side measures.

He is right to want to boost the growth rate, and right to fight the recession the Bank is forecasting. He needs to make numerous changes in a wide range of sectors to boost the growth rate to his target and keep it there.

During our years in the single market we accepted a major decline in home grown food, home energy production, home produced energy intensive manufactures from steel and glass to building materials and aluminium. reversing these trends has to start with supplying more and more affordable domestic gas, oil and electricity. Grant regimes for farming, fishing, green energy and much else need reviewing to see what works and what is necessary.

I would be interested in your views on the Chancellors speech and economic plan.

Now for some popular spending cuts

As government ministers are talking about some spending reductions let me repeat some of my proposals talked about on this blog. A fuller version of this should be the Daily Telegraph today.

1. Stop the small boat people trade which will save the big hotel costs and the need to build more social houses to house them
2. Stop funding Councils to put in aggressive anti vehicle traffic mismanagement measures on our main local roads
3. Stop making grants to farmers to turn farmland into wilderness
4. Tell the railways the government will not pay increasing subsidy levels for those little used train services that are not wanted by the travelling public. railways should concentrate on increasing use of more popular services.
5. Tell the Bank of England it must not for the next year sell bonds at a loss triggering Treasury/taxpayer reimbursement for their realised losses.
6. Refuse more borrowing to Councils wanting to acquire a property portfolio
7. Remove from the overseas aid list all governments with space programmes, nuclear weapon development or ownership, and abusers of human rights
8. Remove tv licence fee cases from the criminal courts to ease pressure on

the justice system.

Cheap labour from abroad is not cheap for taxpayers

The government is right to discourage economic migrants coming in to keep wages low and fill low skilled jobs. A points based quota system can let us recruit talent and qualified people for higher paid roles. Whilst some firms and farms would like to have the benefit of more cheap labour we need to consider the strains this places on taxpayers. It also serves to keep low end wages down, hitting the incomes of those already settled here or born here in low paid jobs.

The EU once said that it costs a country about 250,000 Euros to provide all the capital it needs to welcome a new migrant. There is the cost of providing them with a home. There is the need for health capacity. If they have children we need extra school places. As numbers increase we need more transport capacity, more road space, more pipes and cables for utility supplies. It all comes to a big bill as we are all supported by huge sunk capital investment in an advanced country.

The best way of considering it is to see that if we invite in an additional 250,000 a year, each year we need to build the equivalent of an important new city to house them and support them. A new city costs many billions. Those are billions the employer of cheap labour does not have to take into account.

Rapid rates of inward migration also makes CO2 reduction much more difficult to achieve.