Bottlenecks and opportunities

World supply is damaged. China has introduced electricity rationing and is producing less as a result. Some Chinese ports have been partially closed for periods this summer thanks to continuing covid outbreaks. World shipping has been disrupted by shortages of empty containers, by a Suez Canal blockage and by pandemic restrictions. There is a general shortage of heavy goods vehicle drivers across Europe. China, the USA and the EU are turning to policies that rely more on home production and less on imports and global collaboration. There is a gas shortage worldwide, worsened by a period of little wind to generate power that way and by Russian negotiations over the new pipeline to Germany . The regulator still has to grant a licence for the pipeline which is fully compliant with EU rules. There are skill shortages on both sides of the Atlantic as economies recover from the anti pandemic closures.

The UK labour market despite the lockdowns has relatively low unemployment and a high level of vacancies. Some lower paid activities are in particularly short supply. There needs to be an adjustment, with people offered training and better pay and conditions to ensure we have enough HGV drivers, care workers, food processors, farm workers, chefs and the rest. We also need to make sure there are enough people going through the longer training periods to be nurses, doctors, engineers and similar so we do not have to rely on inviting them in from lower income countries that need their own people.

Whilst in the short term these stresses are worrying to people, they are also an opportunity to improve the lives of many. I have written and spoken before about truck drivers. There is now greater agreement that they need better break and overnight facilities. They could also do with Highway departments that understand their needs to get to shops, hospitals and other customer places more easily. There does need to be better pay for those still on low pay and for those the industry needs to attract. It is primarily a task for employers to offer the better packages and to support people through training where necessary. Government needs to see through its promises to greatly expand training and testing capacity and should with Councils work on improving the conditions for drivers on the public highway and in parking and rest facilities.

Employers in a number of areas need to do a similar exercise. In the care sector local government has a role to play as the buyer and user of many services. What combination of better training, more machine power and other support, and pay is needed to recruit the workforce needed? On the farms what investment can there be in support equipment and labour saving machinery to get the crops in, the fruit picked and the vegetables packaged? There is still a long way to go with growing methods for fruit and vegetables to make them easier to pick and pack. Can the hotel and restaurant industry offer better career opportunities including training more chefs?

My interview on GB News

Here is a short clip of my interview on GB News last night:

Labour's lost loves

(I am publishing tomorrow's blog now following Sir Keir's speech)

Welcome to the 1990s. Labour has dusted down the Mandelson playbook. It has staged a conference to show its not so new leader can purge the party of the left. We've had the policy toughness, denying the wish for a higher minimum wage. We've had the personal toughness, forcing out a Shadow Cabinet member for refusing to loyally celebrate lower pay. We've had the mood music toughness, with the handful of Starmer supporters sent out to portray the socialists in the party as a disloyal rump. The result was a watered down change to the constitution, a defeat of the official minimum wage policy in the vote and plenty of tv debates revealing the big split at the heart of the party.

We will watch to see how they now fare in the polls. Commonsense tells you that stoking a civil war and trying to purge the Labour party of its socialist heart will not add votes. The polls probably rely more on how well or badly the government does anyway. No amount of striving got Labour into competitive shape between 1979 and 1992. The disaster of the Exchange Rate Mechanism pro EU policy by John Major shot them back into contention when the full magnitude of the recession it sparked became clear. No amount of modernisation and reform got the Conservatives back into competitive form, from 1997 to 2007. Labour's even more disastrous banking crash and Great recession then rocketed the Conservatives into first place in the polls.

For years Labour and Lib Dems have relied on their hostility to Brexit to provide opposition to the Conservatives. Now Brexit is largely done, with many voters wanting it properly finished by taking control of Northern Ireland trade and fish, continuing with hostility to the majority view does not look productive. The Remain bias of Opposition parties over the last few years has come across as backward looking, negative and anti democratic and ensured their big defeat in 2019. So today they need to look for something else. They seem to be moving towards two possible areas of difference with the Conservatives .

The first is they wish to out green the Conservatives, and to focus green policy on a more determined rush to net zero. This will help them with

younger voters and with a certain kind of well qualified urban elector, but it will leave them well short of a majority. They will find that as the election draws nearer so they will be pressed on what a faster approach to net zero means. If it means dearer heating and transport, the need to spend a lot of money on ripping out the gas boiler, an enforced earlier switch to electric cars, the need to pay high carbon taxes and the rest they will find many voters will not support that in the privacy of the ballot box. Voters will say they support the idea of net zero for fear of retaliation, but they will not vote for policies that deliberately limit their freedoms or make them worse off.

The second is the wish to be generous and kind to the rest of the world and to see the crusade against poverty in global terms. They will stand up for the restoration of free movement with the continent, for higher levels of overseas aid, for generous definitions of asylum seeking and the idea of running here a World Health Service free for all. Again that will cement various groups of socialist voter, but will not shift the dial to retake the Red Wall seats they lost in 2019.

Sir Keir Starmer's essay did not reveal any great talent for finding the big political idea that people want, nor any ability to encapsulate in great phrases and pithy arguments what Labour is about. The negative of just taking socialism out of the Labour party does not spread enough joy and hope to the many but comes with the price of division.

The EU, Mr Biden and Northern Ireland

The EU continues its negative approach to international relations. It has picked a fight with the USA over their agreement to link with Australia and the UK in a submarine and Asia defence deal, indulging in French tantrum diplomacy. Apparently daily it seeks to undermine the UK in Washington using its large embassy staff to brief the Administration and politicians with a very misleading and biased account of the Northern Ireland Protocol. They probably urge the President not to offer a Free Trade Deal to the UK as they seem worried by the prospect of one. As I have often argued we can get to a FTA with the USA by both the UK and the USA joining the TPP, or by the UK joining the US/Mexico/Canada Free Trade Agreement which might even be possible under this President. Meanwhile we have a great trade with the USA without any FTA as there was no EU/USA Trade Agreement to roll over when we left. The WTO works fine.

The EU misrepresentation of the Northern Ireland Protocol and Good Friday Agreement is more concerning and does need correcting. The UK Embassy in Washington and our new Foreign Secretary need to redouble UK efforts to get across the UK and Northern Ireland majority view of the issue to the USA. The Northern Ireland Protocol is not essential to the Good Friday Agreement which

is not about trade matters. The Good Friday Agreement is fully supported by the UK and Republic of Ireland governments. It sets out constitutional provisions of importance and is based around a mutual respect for and by the Catholic and Protestant communities.

The Protocol as interpreted by the EU is harming relations within Northern Ireland and between NI and the Republic because it does not respect the wishes of the majority community. As interpreted by the EU it is denying NI the advantages of membership of the UK single market which was meant to be guaranteed. There is clear evidence of diversion of trade from NI/GB to NI/EU though this is ruled out by the Protocol. The document states "Having regard to Northern Ireland's integral place in the UK's internal market, the Union and the UK shall use their best endeavours to facilitate the trade between Northern Ireland and other parts of the UK". The Union has being doing the opposite.

The UK will need to take action to restore the integrity of the UK internal market in NI. NI should not be impeded in getting GB products and supplies whilst of course UK companies selling into NI can ensure there is no seepage of goods destined for NI into the Republic. Trusted trader schemes, electronic manifests and spot inspections by UK officials away from borders can police the trade. A trusted UK supermarket company or large retailer should be able to stock their NI branches as they do their GB branches without EU interference. NI/UK and the Republic of Ireland have a good history of co-operating to stop smuggling over the NI/Republic border during our time in the EU, as the EU/NI border was a VAT, excise and currency border throughout. We did not need border posts as these matters were sorted out electronically away from the border.

The UK diplomats should explain to their US contacts that the EU is wrongly interfering in our internal trade. It would be like Canada saying it needed to police and inspect US goods moving from other US states to Alaska in case they ended up in Canada instead. I don't think US politicians would countenance that.

They should also read out the crucial Article 16 of the Protocol which states "If the application of this Protocol leads to serious economic, societal or environmental difficulties that are liable to persist, or to diversion of trade, the Union or the UK may unilaterally take appropriate safeguard measures". There is clear diversion of trade going on so we need to act.

<u>Visiting a local primary school and Memory Lane</u>

On my recent visit to a local primary school I asked about progress with teaching reading and writing English. I had on my mind Nick Gibb, Schools

Minister for most of the last decade until the reshuffle. He is a tireless campaigner for using synthetic phonics as the best method to teach reading, and has had some success with the profession in getting this more widely adopted with some good outcomes. Standards of reading and writing have been rising. The school confirmed they used the method and were pleased with the results.

When I was preparing for the visit I allowed myself a rare trip down Memory Lane to recall how I thought as a primary school child. I had enjoyed my mother reading to me before I was old enough to go to a state primary. I had puzzled over the shapes of the words and felt frustrated that I could not read them for myself. I often asked for a favourite book and could remember enough to gently complain when my mother skipped a sentence or two because she was so bored with the same story. I still could not read the words I knew were missing.

Being introduced to the sound based alphabet was a revelation. Suddenly as I mastered abc as a set of sounds I held the magic key. I could venture a pronunciation of new words that I had not met before, and could read aloud the words I understood and were part of my personal dictionary of the mind. It was one of a few key gifts or statements during my education that made a huge difference to how I learned and progressed.

It was as big a breakthrough as my first day at primary school, when I was delighted to find a world that was my size. After five years of living in a land of giants where every chair was a mountain climb and every piece of furniture a huge and unmoveable obstacle, I was in a classroom with chairs and tables that fitted me and my classmates and I could move if necessary. Primary schools are gateways to a bigger world. At their best they give children the power to understand so much more and the confidence to go on their own personal journeys.