

My Intervention on the Telegraph Media Group: Proposed Sale to RedBird IMI

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As owners expect to have influence over editors and the editorial line, why do we not have a policy of ruling out all Government ownership of such organisations, which would make it much simpler?

Julia Lopez, (Minister for Media, Tourism and Creative Industries):

I thank my right hon. Friend for making that simple point. It is one that I am sure will be considered once this case has passed.

The Northern Ireland Protocol

The Northern Ireland Protocol and the absence of early return of all our fishing grounds led me not to vote for the final Brexit settlement. I would have preferred to leave the EU on WTO terms, and felt we paid a high price for the Free Trade Agreement. As a heavy net importer from the continent the Trade Agreement was always likely to help them more than us. This was reinforced as with all EU trade deals by its concentration on goods where they are strong and its weak provisions on services where we are strong.

I voted for the legislation the Johnson government proposed to fix the border issues. There was always a ready fix of mutual enforcement, where we would police goods exported from NI to the Republic for them by ensuring such goods met their standards, and they could do as they wished for goods they are sending to NI. The UK had no wish to impose a north/south border and no need for one. The volumes of trade are low over that border. Far bigger were the volumes of trade between GB and NI which should be internal matters for the UK with no need for border controls. I was annoyed when this legislation which had passed the Commons was abandoned.

I voted against the Windsor Framework. This did impose a border between NI and GB, requires checks on GB to NI trade and requires all business whether for export or not to be EU law compliant in NI. It meant NI faced new EU legislation which it had no part in debating or amending which the rest of the UK did not have to adopt as a non member of the EU. It was no wonder the DUP felt they could not work in Stormont all the time they were treated differently to the rest of the UK and all the time they faced new laws with no representation.

I wish to see the draft law the government is now proposing which the DUP

leadership says will address these two crucial issues. I look forward to seeing the guarantees the DUP has won on EU law and border controls to GB. It is important NI is fully part of the UK internal market with no additional controls on a sea border between NI and GB.

The magnitude of the net zero task

Just 20% of world energy is delivered as electricity, and just 30% of that electricity comes from wind, solar and hydro power as renewables. That means that just 6% of the current world energy takes the form of renewable electricity, so beloved by the campaigners for an early and energetic move to net zero. To get to net zero China and India, the two world giants still increasing their CO₂ output need to go through major changes. To get there the bulk of energy currently burned in petrol and diesel engines, in jet engines, in domestic gas and solid fuel heating systems and powering most of the world's factories needs to be converted.

Those who say the world can easily switch over to renewables in the form of solar and wind power need to understand the magnitude of the ask. They need to tell us where and when there will be a massive expansion of electricity grids to take all this extra power. Presumably we will need three or four times the present miles of cable and numbers of pylons. They need to say how most people and businesses will be persuaded to switch to heat pumps, electric cars and electric factories and how they will afford this. They need to tell us what the CO₂ impact will be of making all the things for this massive transition, and how the West will gain from this all the time China has cornered the markets in rare earths, minerals for batteries and the manufacture of EVs, solar panels and turbines.

If we are to rely more on renewables we need to know how they will handle periods of no wind, low sun power and an absence of water in hydro schemes. We need to know whether they will go for making plenty of hydrogen and its derivatives out of renewable energy so we will have synthetic fuels for our transport and heating? Will they want to up the percentage of green gas or liquid used in transport fuels and domestic heating or do they really think there can be the conversion of most to electric equipment|?

This all has to be practical and affordable. It requires huge buy in by billions of people, and needs them to have the capital to replace all their current equipment. People will want cheaper and more practical proposals than a Tesla and a heat pump.

EU borrowings are a new burden the UK will not share

The EU in 2020 made a momentous decision. With the UK no longer having voice or vote to oppose, they decided to go ahead with large borrowing programmes at EU level. Germany was reluctant to see the EU become a transfer and collective borrowing union but was persuaded to let it pass.

Prior to 2020 the EU had borrowed just 30 bn in its own name. Now it has borrowed 400 bn. It plans to borrow the best part of 1 trillion Euros this decade, with 806 bn ear marked for the NextGenerationEU fund and other money for SURE, the unemployment fund. Whilst some of the NextGen money is loans where the ultimate borrowing countries are meant to repay, the overall borrowing is on the EU account. The EU is evolving into a transfer union with a single larger budget.

Had the UK stayed in the EU the totals borrowed may have been larger. We represent 15% of total EU plus UK Gdp. Member states are liable for their Gdp proportion of the total. In practice though markets will hold all EU states jointly and severally liable for EU debt and the EU could demand higher proportions in a future decision for any member state.

So the UK would have added at least 120 bn euros to our state debt burden by accepting 15 % of this new debt. That is more than £4000 for every UK family of extra debt we have avoided by leaving the EU.

The EU has also upped the amount member states have to pay into the annual budget of the EU by 0.6% of GDP. That would have been another £14 bn a year of contribution by taxpayers before any rebate.

Desultory debate about public services

Public sector service productivity has collapsed 7.5% 2020-23. This is without precedent and means taxpayers need to pay more than £30bn a year extra for their services, with all the extra costs of inflation on top of that. No wonder public spending is so high.

In an extreme case the Post Office, a nationalised industry, admits it wrongly prosecuted hundreds of its own staff and took money from them for losses they had not made. 25 years on from the start of these errors it has still not even repaid the money it wrongly took from them in many cases, let alone paid them the compensation they are due.

In some NHS hospitals there have been bad cases of failure to provide

essential care in the form of drinks, food and help to the bathroom. There have been deaths that should not have occurred. In the worst case a nurse murdered babies in the care of her ward.

In some areas schools fail to provide a decent education for young people and see too many youths give up or drop out of school with no qualifications. The NHS waiting lists are very long, but apparently the large numbers of administrators cannot vouch there is no double counting, wrongful recording or people on the lists who no longer need a consultation or treatment

Ask the Opposition parties about this and they usually say it is all down to a lack of money. This is despite record levels of funding and big recruitment drives for extra staff. Where the bad news comes from devolved government in Wales and Scotland, or from Labour and Lib Dem Councils they still usually claim it is a lack of funding and demand bigger increases from government.

Many of the things that are wrong including the fall in productivity come down to bad management. A growing army of CEOs and top management on six figure packages has allowed productivity to fall badly, and in some cases has allowed standards and quality to drop alarmingly. In future blogs I will look at the duties and powers of political leaders and of the senior executives to put this right. What should we expect of public sector CEOs?