

Brexit wins

My article from Conservative Home

It is good news that Jacob Rees Mogg has been appointed minister for ensuring we take advantage of the freedoms and opportunities of Brexit.

He is going to have a struggle to do so, as he faces a Whitehall with too many senior officials at best wanting us to mirror the EU as they like what it does, and at worse determined we get no wins so they can prove their pessimism justified about the whole policy adventure.

I have found it extraordinary just how much concerted pressure amongst the official and legal establishment and the House of Lords there is still against the whole idea of Brexit.

Let us begin with the Treasury. It was Treasury officials led by the Chancellor at the time of the referendum who came up with an embarrassingly bad set of forecasts of what would happen if we dared to vote for Brexit and leave.

We now know for sure their forecasts for rising unemployment, a mass loss of City jobs, a big increase in unemployment, and a collapse of house prices were all the reverse of what happened.

In the year after we finally left the single market even the pound rose against their forecast of a fall. It had been down and up in the period after the vote. Interest rates fell instead of rising as forecast.

One of the big opportunities from Brexit was to take VAT off items we did not want to tax, or to lower the rates where the EU ones were too high. The Treasury has stuck to EU VAT rates like glue. When it was eventually talked into the obvious move of taking VAT off green products, the EU moved to claim they now would allow that in an effort to deny a Brexit win.

The UK still refuses to suspend VAT on domestic fuel which should be a no brainer given what is happening to the price of gas and electricity. It should be suspended until gas and oil prices have fallen back again.

Some in the Civil Service also think the Northern Ireland Protocol prevents us changing VAT in Northern Ireland which is used as another excuse not to change it in Great Britain either. Instead it should be a stimulus to clarifying in UK legislation that of course we can control VAT everywhere in our country now we have left the EU.

Not content with trying to stop VAT changes, the Treasury has also been keen to block proper deregulatory and tax advantages in the programme of freeports. Again this should have been an obvious win.

The Treasury, now led by a Chancellor who championed freeports as a backbencher, should have had a generous freeport package ready and working

for our first day out of the EU. Instead we are still awaiting full roll out and a comprehensive set of advantages.

Over at DEFRA there is also a marked reluctance to diverge and take the wins available. Our fishing industry still remains damaged by a further, needless, transition designed to help large predatory foreign vessels.

The Government should legislate for a British fishing policy that is kinder to our fish and fishermen and women. Our fishing grounds need respite from the mega trawlers, all foreign owned, that Hoover up too much fish, which we could do by banning trawlers over 100 metres and damaging equipment.

The Department should have a more active policy to support the expansion of our domestic fishing fleets, with a larger UK quota whilst allowing the rebuilding of stocks. The funds to lend and grant for larger British fleets need increasing.

Defra too does not wish to put in place a good plan to grow more food at home. The Common Agricultural Policy slashed our domestic output and made us ever more dependent on continental fruit, vegetables, dairy, and meat.

Orchards disappeared with EU grants to root out the trees. We were the one country with a milk quota smaller than our domestic demand. Our beef industry was restricted for a long period. The Dutch flower and market gardening industries gained advantage over our own and took large chunks of market share.

Defra now needs to put that right. It should have loan and grant schemes for more and better food production and for productivity.

The Business Department has been wedded to the idea that the UK should exit the fossil fuel business in order to rely on increasing amounts of energy imported from the continent. This is a particularly dangerous policy as the continent is very short of fossil fuel energy whilst we have good reserves.

In due course, we should be able to resolve the issue of how to keep the lights on when the wind does not blow and the sun does not shine through batteries, green hydrogen, pump storage and other technologies.

The reality is however that for this decade most people will still be heating their homes with gas or oil or solid fuel boilers and most people will be travelling by petrol or diesel car or van or truck. Most process industry will rely on gas.

In this circumstance it is madness to rely on imports when we can produce our own. Instead of the Energy Department being the department for importing energy, it should vigorously promote more British energy. Instead of being the ministry for more interconnectors to make us dependent on an energy-short continent, it should be the department of British energy opportunity, with pipes and cables for the domestic market linking home supply to demand.

The Business Department whilst it is about it should also become the department that promotes and helps more British industrial output instead of

being the department to import more.

Importing our steel and aluminium, ceramics and cement does not save the planet by cutting world CO2 . It boosts world CO2 by the extra it takes to transport these products, and sometimes by the dirtier processes used abroad.

The economic shock of tariff free trade in the 1970s when we joined the EEC accelerated the decline of heavy industry in the UK under both Labour and Conservative governments. Now we can set our own corporation tax, carbon tax, energy taxes, rules and support schemes and the rest, BEIS should be pricing good UK-based industry back into the market.

In the wide-ranging area of regulatory standards and requirements the UK now regains her voice at the global high regulatory tables. We are in a good position to guide more world standards, and to choose standards for ourselves that protect us as needed but also allow us easier access to Asian and American markets.

We want high standards for employees, high safety standards, high standards for animal welfare. We also need to remove bad or over cumbersome regulation to allow enterprise, competition and innovation more scope to offer better deals. The Government could begin by producing a better and less bureaucratic regime for data.

The Northern Ireland Office needs to respond to the anger in Ulster over the way the EU has interpreted an ambiguous and sometimes contradictory Protocol to damage the British internal market. They need to take up the idea of mutual enforcement, offering the EU protection from non-compliant products from the UK in return for no restrictions on NI/GB trade above the checks and controls we have on trade within England or Scotland.

I could give many more wins from Brexit, but space does not allow.