

My Conservative Home article

Some Conservatives are taking heart from the fact that in Wakefield and Honiton Conservatives stayed away rather than switching to Labour. It should after all be easier to persuade abstainers back than to tell switchers they have got it wrong. In Wakefield there was also an unusually high percentage voting for some of the many fringe parties and candidates that seek some attention on a by election hustings. Independent candidates normally get less than 1% of the vote each. One of the Independents got 7.6% of the vote, the Yorkshire party polled 4.3% and Reform and Britain First together got 3%, more than the Lib Dems scored. Many of these voters could be attracted to a stronger Conservative offer.

Understanding why Conservative voters abstained or voted for candidates other than the three main parties is crucial for the government to do the right thing from here. The idea of a Red Wall is unhelpful. Voters in former Labour seats voted Conservative in 2019 because they wanted something different to the Labour offer of a bigger public sector, a preoccupation with political correctness and higher taxes, not because they wanted a Conservative version of the same.

They wanted more than Brexit in name only. They wanted a proud UK to use her newly won freedoms to promote prosperity for the many and to place the UK back on the global stage without instruction or limitation from Brussels. They had concluded that sending more money to the local Council, spending more on new public buildings and looking for the civil service to make everyone better off was not going to work. They disliked the EU model of closing down much productive capacity in the UK to import from the continent. They wanted a more enterprising freer UK where government helped people get on in the world. They wanted home ownership for the many, more opportunity to work for yourself, to set up a small business, to gain shares and bonuses by working for a good private sector firm, to receive the education and training needed to get promoted. Labour's collective and state organised ideas often stifled individuals and families making a success of their own plans for ownership, self improvement and better paid employment.

They expected Conservatives to lower taxes on work and enterprise, to promote more employment and to back business. They assumed that whilst there would be more money for schools and hospitals Conservative Ministers would be careful to control overall spending and would not allow an unwieldy bureaucracy to grow and grow without restraint. They did not want more quangos lecturing us on what we were allowed to say, on how we should lead our lives and why we must buy a heat pump. They looked forward to ending the large payments to the EU and wanted overseas aid removed from countries with nuclear weapons or

space programmes. Many people refused a free smart meter and opposed more surveillance as examples of creeping government control.

So why do so many of them now feel they have not got what they asked for? They did not expect a Conservative Chancellor to authorise huge extra quantities of money printing last year in a way that was bound to lead to more inflation. They did not ask him to underwrite with their money another £150bn of bond buying by the Bank of England, paying very high prices for the bonds. They certainly did not vote for a hike in National Insurance, a tax rise expressly ruled out in the Conservative Manifesto. They did not want IR35 strengthened further to put off people working for themselves. They hoped that VAT would come down or be taken off things like domestic heating once we were free of the EU and able to set our own tax rates. When the Ukraine war added a further nasty twist to the inflationary spiral they expected the Chancellor to cut the VAT rates on electricity, gas, diesel and petrol, not to use it as an opportunity to tax us more on these necessities.

So what should the government do now to prove it has understood the message of the voters in recent elections? The main changes have to come from the Treasury. It is bad economic policy that is doing the damage. The hit to real incomes is too hard, taxes are too high, and current policy threatens us with a recession. The government needs a convincing growth strategy. That requires immediate action to cut VAT on fuels to ease the squeeze and cut the prices. It means binning the planned 31% increase in the rate of Corporation tax on businesses and stopping the attack on home produced energy through the supplementary profits or windfall tax they are planning. The Chancellor rightly wants an investment led recovery with more capacity being put into the UK. He will not get that if he serves up higher business taxes and a recession.

The government should go all out to create the best environment for business investment and growth in the advanced world. Strong businesses will bring more jobs, better paid jobs and more capacity. The UK as a result of years in the single market depends far too much on imports for everything from temperate food to energy, from steel to cars which it can produce for itself. If we matched the Irish corporation tax rate we could add to our capacity much more quickly and collect more in total business tax revenue. If the Treasury beefed up the freedoms in the Freeports that could help us grow new industries.

There are some signs that the Business department does want us to produce more of our own gas at a time of global shortage. The new oil and gas fields including Jackdaw, Cambo and Rosebank should be brought into use. That will cut our CO2 compared to importing LNG, create more better paid jobs and give

the Treasury another tax windfall. There is some work now on a domestic food strategy. We could grow so much more for ourselves at a time of Russian induced shortage. Instead of EU grants to pull the trees out of our orchards we need UK help to replant. The UK with access to more gas could rebuild some of its lost chemicals and fertilizer industry.

This cannot await a late autumn budget. Every day we send out a high tax anti business message more investment will be delayed or diverted. All the time we continue with current policy a sharp slowdown or a complete stop to growth is inevitable. The UK deserves better and can do better. Now is the time to set out a bold strategy for freedom and growth. If we do this the voters will return. We need a new Conservative way forward.