My Intervention on the Sudan Ministerial Statement

I was one of the MPs who pressed Ministers to take more urgent action to get UK nationals out of Sudan where they wished to leave. I am glad they are now running some flights. The FCO needs to do all it can to contact and support UK people who are in Sudan against their wishes. They deserve our full attention and help.

John Redwood (Wokingham) (Con):

The Government advise nationals in difficulties to stay indoors, but what if they run out of food, what if there is no power, water or other utilities, or what if there is fire in the local area? What is the advice and message of hope for them then?

Mr Andrew Mitchell, Minister of State for Development and Africa:

My right hon. Friend makes an extremely good point. The only advice that we can give through the Foreign Office—the only advice—is to stay indoors, because of all the reasons that I have given during the statement about the jeopardy on the streets outside. We have changed the advice today to say that although we think that people should undoubtedly remain indoors if they can, if they do not, it is at their own risk. But they must make their decisions on the ground. Of course, there are those who know the situation around where they live extremely well and may well be able to exercise their judgment, but they do so at their own risk.

My Intervention on the Opposition Day Debate on Cost of Living Increases

John Redwood (Wokingham) (Con):

Will the Minister confirm the IMF figures that in 2020 to 2022—that important three-year period after we left the EU—the UK was the fastest growing economy of the G7? The Opposition's forecast that the UK might be a poorer performer this year is just a forecast, and most forecasts are usually wrong.

John Glen, Chief Secretary to the Treasury:

As always, my right hon. Friend is on the money. The point is that forecasts predict many different things. I have been in the Treasury for nearly five years; forecasts for every fiscal event rarely prove to be true at the next fiscal event.

We must continue to focus on taking the right decisions, decision by

decision, and prove those forecasters wrong. That means long-term, sustainable and healthy growth that pays for our NHS and schools, finds jobs for young people and provides a safety net for older people, all while making our country one of the most prosperous in the world. It also means reducing debt, which we are on track to do. In fact, because of the decisions we have taken and the improved outlook for the public finances, underlying debt in five years' time is now forecast to be nearly three percentage points lower than back in the autumn. That means more money for our public services and a lower burden on future generations—deeply held Conservative values, which we put into practice today. It is these steps that will make our country and our people better off. We are also taking action to shelter the most vulnerable while we achieve these longer-term ambitions for the economy.

In the Budget, we announced that the energy price guarantee would remain at £2,500 per year until July 2023. That was funded in part by the energy profits levy that this Government introduced last year, recognising that profit levels in the sector had increased significantly due to very high oil and gas prices caused by global circumstances, including of course Russia's invasion of Ukraine. The levy is expected to raise just under £26 billion between 2022-23 and 2027-28, on top of around £25 billion in tax receipts from the sector in the same period through the permanent tax regime. The energy price guarantee measure will save the average family a further £160 on top of the energy support measures already announced, bringing total Government support for energy bills to £1,500 for the typical household since October 2022.

It is worth recapping those measures. This Government have helped all domestic electricity customers with £400 off their energy bills through the energy bills support scheme. The energy bills support scheme alternative funding provides £400 to around 900,000 households that are not supplied by domestic electricity contracts and are unable to receive support automatically through the energy bills support scheme.

Our support has not stopped there. Alongside holding down energy bills, freezing fuel duty and increasing universal credit, we are giving up to £900 in cost of living payments to households on means-tested benefits. Starting from today, over 8 million families across the UK will receive the first £301 cost of living payment from the Government. That is the first of up to three payments for those on means-tested benefits, totalling £900 through 2023-24. Those entitled do not need to apply for the payment or do anything to receive it. The payments will be accompanied by a payment of £150 for people on eligible disability benefits this summer and a payment of £300 on top of winter fuel payments for pensioners at the end of 2023.

These are carefully designed interventions, targeted at the most vulnerable across communities in the United Kingdom. The latest payment follows on from the £650 cost of living payment delivered to households on means-tested benefits by the Government in 2022, with an additional £150 for individuals on disability benefits and £300 for pensioner households.

The Government of course need to recognise that some people will fall into difficulties. They have enabled local authorities to provide additional

support with the cost of household essentials through a 12-month extension to the household support fund in England worth £1 billion, including Barnett funding. We are also ensuring that more than 10 million working-age families will see an increase in their benefit payments from April 2023, based on the September inflation figure of 10.1%.

While we shelter the most vulnerable, the public also rightly expect us to look further to the future, making sure we are taking steps to grow sustainably and securely in the long term. This Government are unashamedly pro-growth, because expanding the productive capacity of the economy is the only way to solve the productivity puzzle, which has dogged us for decades, and improve living standards for all.

One reason we are held back is because a great number of people have left the labour market altogether. As a Conservative, I believe there is virtue in work and getting people into work is the best way to avoid the ills and perils of poverty. There has been an increase of more than 1.5 million working households since 2010, which shows that we are on the side of working families. That includes our new game-changing childcare offer that will entitle working parents in England to 30 hours of free childcare per week, once their child is nine months old, and close the gap between parental leave ending and the current childcare offer.

In addition to making provision on free childcare, the Budget set out to remove barriers for the long-term sick and disabled, for jobseekers and for older people with our pension tax reforms. Part of the plan is welfare reform to support those who have been disengaged from the labour market. My right hon. Friend the Secretary of State for Work and Pensions has introduced a White Paper setting out reforms that will support more people who are long-term sick or disabled to try work without any fear of losing their benefits. Other policies that we announced at the Budget will then ensure that those individuals are better supported to stay and succeed in work. Overall, the Office for Budget Responsibility expects the spring Budget package to result in 110,000 more individuals in the labour market by the end of the forecast period.

The UK saw the fastest growth in the G7 over 2021 and 2022. Cumulative growth over the 2022 to 2024 period is predicted to be higher than that of Germany or Japan, and at a similar rate to that of France or the US. We have halved unemployment, cut inequality and reduced the number of workless households by 1 million. We have protected pensioners, those on low incomes and those with disabilities. We are continuing to lay the groundwork for a vibrant, innovative and growing economy that benefits communities and families up and down the country.

Having sat and listened to the shadow Minister—I was not smiling, but reflecting on what I heard—I think it is very unfortunate that the Labour party continues to play politics and snipe from the sidelines without a clear and coherent plan.

<u>All Souls lecture — 'The great western</u> <u>inflation should lead to changes at</u> the Central Banks'

'The great western inflation should lead to changes at the Central Banks'

Rt Hon Sir John Redwood will be giving a lecture on the great western inflation of the last two years. He will examine the role of the Central banks, explain how they could have avoided the general price rises, and ask how the Bank of Japan, the Swiss Central Bank and the People's Bank of China kept inflation down. He will point out that contrary to common accounts the Fed and the Bank of England are not independent but work closely with Treasury officials and the wider government they serve. He will make recommendations for changes to the models and approach the three main western Central banks use. He will cover the question of how Quantitative easing and Quantitative tightening have added to the problems and blurred dividing lines between Central Bank and government financial and budget policies.

John Redwood has written and spoken on economic topics for many years. He warned against the destabilising effects of the European Exchange Rate Mechanism on the UK economy in the 1980s, warned about excessive credit and lending in the mid-2000s prior to the banking crash and argued against Quantitative tightening extending into 2021 and 2022 when recovery was well set after recognising its need in 2020 to offset lockdowns.

Event time: 11:00 - 12:30

Venue: All Soul College, Old Library, Oxford, OX1 4AL

The event has been published on the University website:

https://www.ox.ac.uk/event/great-western-inflation-should-lead-changes-centra
l-banks

And also, on the College's

website: https://www.asc.ox.ac.uk/event/great-western-inflation-sir-john-redw ood

Both links include a link to the registration form, which you can access directly by clicking here: https://forms.office.com/e/sWmVQEZdkV

UK growth was not dented by Brexit.

Growth in advanced countries since the great crash and banking disasters of 2008-9 has been poor. Despite ultra low interest rates and available credit, growth stayed down. In the last three years the work of the Bank of England, Fed and European Central Bank gave us a big inflation, to be followed by an abrupt change of policy to give us a downturn.

The IMF figures for the period 2010-22 shows the US with 24% growth over 12 years, below 2% a year, with Italy at 1% growth for whole period or zero annual rate. The UK was third at 21% after the US and Canada. The UK was better than Germany (17%), France (14%) and Japan (7%) as well as Italy. The UK grew the fastest of all 7 between 2020 and 2022 inclusive. So all those who say the UK is the worst performer or who say Brexit has done us special damage need to recognise that relatively the UK has done well beating the Europeans and Japanese.

The main reason the US has been more successful is the US fostered and allowed the growth of several trillion dollar companies that pioneered the digital revolution. Europe and the UK did not produce a Google, Apple, Amazon or Microsoft. The US university and enterprise culture proved much better able to foster and grow major innovatory corporations that captured the public mood and need, winning business away from traditional companies on this side of the Atlantic. The weight of EU regulation, UK penalties on self employment, a low tax threshold for VAT and other incumbrances on business hindered UK growth.

We need a policy that promotes more growth in the UK. This needs to be growth in per capita income, not just growth in overall GDP. It is not a good idea to keep adding to the low paid workforce by inviting in more and more economic migrants. The labour shortages should send a signal to employers to spend more on technology and to employ better paid more highly skilled people. So called cheap labour turns out to be very dear for taxpayers, with inflated needs for social housing, extra school places, more medical capacity and expanded utility provision. To foster and allow more growth we need urgent tax changes for the self employed, small business and large companies. It was Ireland that scooped the pool of digital investment this side of the Atlantic, by the simple expedient of having the ultra low business tax rate of 12.5%. That is exactly what the Uk should do, to join the digital revolution more wholeheartedly and to share more of the US digital led success.

Answer to my written Parliamentary question on Windsor Framework

This is a better attempt to answer the outstanding questions over what reductions in EU law have been made for NI under the new Agreement. It appears that most of the items items mentioned are only disapplied for green lane imports, whereas the issue is the application of laws to anything made and sold in Northern Ireland. There seems to have been little progress in reducing the EU legal burden on NI.

The Foreign, Commonwealth and Development Office has provided the following answer to your written parliamentary question (180627):

Question:

To ask the Secretary of State for Foreign, Commonwealth and Development Affairs, with reference to The Windsor Framework: a new way forward, published in February 2023, if he will publish specific details of the 1,700 pages of EU law that will be disapplied under the Windsor Agreement. (180627)

Tabled on: 14 April 2023

Answer:

Leo Docherty:

The UK Government is committed to taking the necessary steps to uphold the UK's international obligations, including the Withdrawal Agreement and the Windsor Framework, as set out in the previous answer. As also set out, all of the rules disapplied are set out in the legal texts published as part of the Windsor Framework. By the EU's own calculations, less than 3 percent of EU rules apply — with those that remain only applying to secure maximum free trade and market access for Northern Ireland firms. It should also be recognised that this is not a straightforward list, as some of those rules will be applied in part for the red lane but not applied in the green lane, for example. But, for example:

- · Annex 1 of the Sanitary and Phytosanitary (SPS) legal text shows that 67 rules on food and drink do not apply in the green lane covering issues like marketing standards, food supplements and additives, and the production of organic products. It also disapplies the certification requirements in the EU Official Controls Regulation, as well as the prohibitions on various movements set out therein.
- Requirements in the Union Customs Code (UCC) for rules of origin certificates, tariffs, and commodity codes for each movement do not apply for internal UK trade; nor are there any requirements for customs declarations for consumer parcels, which are classified automatically as "not at risk". And we have secured unfettered access by removing any need for export declarations or equivalent information for goods moving from Northern Ireland to Great Britain as would otherwise have been set out in the UCC.

- · In a similar vein, and as noted previously, the requirements in the VAT Directive which prevented the zero-rating of energy-saving materials has been disapplied, enabling the changes we brought forward in Parliament this week; as have limits on alcohol duty structures in EU rules harmonising excise duty structures.
- · And for medicines we have disapplied any role for the European Medicines Agency in authorising medicines for the UK market, as otherwise set out in EU rules on the authorisation and supervision of medicinal products; and removed packaging any other requirements in the Falsified Medicines Directive.

These changes have safeguarded Northern Ireland's place in the Union and our internal market, while continuing to support Northern Ireland's businesses by providing them access to the whole UK market as well as the EU market.

The answer was submitted on 24 Apr 2023 at 17:14.