

## A European recovery fund?

Last week at the video Council of Ministers the EU began to consider the Commission proposal for a E750 bn Recovery fund. This had developed from a joint Franco German idea. The EU would borrow money, and spend it on grants and loans, with more emphasis on the deficit countries that took the worst hit from the pandemic.

In the hands of the Commission this has become a way of borrowing at EU level against the security of the revenues in the next 7 year cycle of annual budgets. The money would start to be borrowed next year, continuing over a three year period and gradually dispensed as a kind of addition to the budget. So it will not be a fast acting recovery fund which is needed this year and the first part of next. It also implies there will need to be some disbursements to the richer states as well as the most needy. The plan was to spend two thirds of it as grants and one third as loans.

So far the Netherlands, Austria, Sweden and Denmark have said No. It needs unanimity to pass. They disagree with the idea of grants and especially with the idea of pooled borrowing where they will be partly responsible for repaying these debts. So far their governments have decided to speak for the voters. According to polls there are large majorities against common borrowing in these countries.

The Council and Commission have decided to return to this in July, hoping there might then be some give in these positions. Federalists see Covid as an opportunity for a major breakthrough to a bigger budget and some transfers from rich to poor, as in a single country. The danger is if they push too far in this direction they may give more encouragement to populist forces in several countries.

It is also interesting to see at the same time member states who say they want more integration rapidly moving to more state aids and more national restrictions on commerce and movement. The single market the EU claims to love is under pressure to allow national champions, national resilience policies and more barriers at borders.

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## My remarks during the Statement on Statement on the Reading Terrorist Attack

**Sir John Redwood (Wokingham) (Con):** I hope the whole House will join with me in sending our deepest sympathy to the friends and family of James Furlong

and to the staff and pupils at the whole school in Wokingham where he taught. He was by all accounts an inspirational teacher who always went the extra distance for his pupils and was a very kind man who will be sorely missed. The community is obviously very shaken today by this news.

Will the Home Secretary intensify the efforts of the intelligence service, the police, law forces and the others as we have had too many of these mass murders in recent years and we want some reassurance we can get on top of this and save the lives of others for the future.

**Secretary of State for the Home Department (Priti Patel):** My Right Honourable Friend is absolutely right and I too pay tribute to the shocking events that have happened and pay my respects as well to Mr Furlong. These are absolutely appalling events and attacks and all our sympathies and thoughts are with his family and his friends.

My Right Honourable Friend is absolutely right in terms of the intensification of the work that is taking place. This is crossing cutting across Government covering a range of measures – police, intelligence, security. The Right Honourable gentleman also mentioned our borders and the work we are doing in terms of moving our borders, dealing with criminality checks – that is all ongoing work and it will, of course, be intensified.

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## Dear Constituent

Writing this letter is overshadowed by more sadness as we grieve the loss of life in Reading this week-end. We wish the police well with discovering who was involved and why, so prosecution can follow.

There is some good news about the pandemic. In the last week the latest chart I have been sent shows there were no new cases of the disease reported in Wokingham Borough and only one in West Berkshire. The pressures on the Royal Berks have abated, and I had no more complaints about the supplies of protective clothing or the availability of tests. NHS supplies are working well and testing capacity is greatly increased.

The government has given priority in all its decisions to getting the virus under better control and bringing down the death rate. It now is turning to its second important aim, saving livelihoods and allowing some recovery in business to save jobs. I have worked closely with Ministers on safe ways of working to get more people into work and more businesses trading, whilst encouraging more homeworking and remote working through internet technology wherever possible. I also urged the government at the start to provide financial assistance to people and businesses who temporarily were told not to work. The government came up with the furlough and small business schemes, which have helped many during a difficult time.

We are but part of the way through relaxations to allow more people to work and earn money for their businesses. It is good news that shops can now reopen, and many factories have returned to manufacture. We are now in the run up to two crucial dates. The first is July 4th, when it is likely hotels, restaurants and other leisure and hospitality venues will be able to re-open, subject to social distancing rules. The second is the new school year starting in September, when we hope the schools will return for all pupils.

Shortening the social distance from 2 metres to 1 is important to both these areas of life for re opening to have chance of some success. 1 metre is the required minimum recommended by the World Health Organisation. It can be made safer by the use of screens, air flow management, use of masks and other protective clothing, and one way systems for people where corridors and passages are narrow. Business and schools are currently working on getting the right configuration within their premises and thinking through how to operate safely.

I would like to thank all those teachers and school support and management staff who have provided an educational service for a limited number of pupils on the school site and a digital service for pupils at home during the crisis. I wish all well in planning the right approach to a return to full time education for all, which may continue to need more digital input than before and some reorganisation of the physical space.

I and many of you have thanked the NHS staff many times for coping with the seriously ill during the height of the pandemic, and I do so again. The task now for all the NHS is to get the rest of the service back to normal. As the Health Secretary frequently reminds us, the NHS is open again for all those with serious conditions like cancer who must not be put off going for care in hospitals. The NHS also needs to set out a plan for tackling the backlog of non urgent surgery which has built up during the intense period of the virus.

Much now rests on the consumer. The majority have kept their jobs and have often spent less over the lock down, saving money on travel, leisure and a variety of services they were not allowed to use. We now need the Town Centres to be attractive and easy to reach to give the shops, cafes, restaurants and service providers every chance to rebuild their businesses and to tempt customers. I hope Councils will work with business to create a warm welcome in shopping areas, allowing good access.

In the days ahead we need both to avoid a major upsurge in the disease and to open up much more of our economy to save jobs. The financial support put in was necessary and has helped, but it is not an affordable answer for the future. It can only be a temporary measure, as it is all being borrowed. The future must rest on good co-operation over testing and tracing to keep the virus down, allied to safe rebuilding of as much of our former goods and services trade as possible so people can earn a living again.

I would also like to thank my office staff for helping cope

with an unprecedented volume of emails and cases brought on by these extraordinary times and by the enforced temporary extension of government into so much of our lives.

Yours sincerely

John Redwood

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## **Tribute to James Furlong**

I was shocked to learn from the news today that one of the people senselessly murdered in Reading this week-end was James Furlong. I see that James was widely admired as an inspirational teacher at the Holt School. It adds even more poignancy to our grief, thinking of the good he was doing for so many pupils. They too are now directly plunged into deeper sadness by this evil act.

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## **Reading murders**

I send my condolences to the families of the three people murdered yesterday evening in a series of senseless stabbings. It is difficult to find words to console in such a dreadful circumstance.

I am glad many others evaded the planned mass slaughter and grateful to the emergency services for their interventions.