

Migration

Yesterday the government released more details of the new Immigration system it plans to come into effect on 1 January 2021 when we are finally out of the EU Implementation period.

The aim is to reduce numbers coming to the UK by preventing people coming to the UK to look for a low paid job, or coming to the UK to take up a pre arranged UK job at a low salary. This should make quite a difference to numbers which in turn will take some of the pressure off social housing and public service provision.

The points system will require an individual to have 70 points. 50 points are awarded for someone who can speak English, has a job offer and some skills. The additional 20 points come from appraisal of skills, qualifications, salaries and professional training. Speaking English will be a requirement for all to meet.

There will be clear routes for new NHS staff to be recruited and granted an NHS Visa, for students to come to Universities on a Student Visa and for top talent in science and maths to get easy access.

Anyone under the general scheme must have a job paying more than £25,600 a year unless they have a job offer in a field identified as a shortage area where special temporary factors may apply.

This looks like a good improvement on open borders under the EU scheme. Employers will have to pay a bit more to attract local talent. They need to spend more on raising productivity to justify better pay. This can be done through better training and or through investment in computer and machine power to raise output per employee.

South Western Railways update

I have received this update from the Secretary of State for Transport:

Dear John

South Western Railways update

I would like to provide you and your constituents with an update following the reckless strikes which affected thousands of South Western Railway journeys throughout December.

Due to the unprecedented level of strike action by members of the RMT union, and the wholly unnecessary impact this had on passengers, I am pleased to say

this Government has worked with South Western Railway to secure compensation arrangements.

The compensation package offers up to five day's worth of travel to season ticket holders and daily ticket holders who travelled frequently during the strike. Season ticket holders whose station received no train service or bus replacement will receive the full cost of travel for the days in which they had a valid ticket during the period of the strike.

The compensation scheme will run in two phases: the first phase targets SWR season ticket holders who will be contacted directly to arrange compensation, and the second phase is for customers for whom SWR doesn't hold details, including weekly season ticket holders, who will need to apply for compensation. SWR will notify customers when each phase opens and further details can be found here:

www.southwesternrailway.com/december-2019-strike-compensation.

This compensation is above the standard Delay Repay scheme which entitles holders of any ticket type – including passengers who travel less frequently – to claim compensation for delays of 15 minutes or more, whatever the cause of the delay. The Department continues to encourage passengers to also claim using Delay Repay.

I hope this update provides some relief to your constituents who were affected by the senseless strikes on South Western Railway. This Government remains committed to protect commuters from unreasonable strike action in the future and are introducing new laws to address this. I will also shortly be bringing forward reforms to the railway to ensure the whole industry is focused on delivering what passengers want: reliable trains that run on time.

Yours ever,

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT

[Greenwash is not the answer](#)

Like some other media driven campaigns, the anti global warming movement is being damaged by its share of hypocrites. Some grandstand on the issue yet live their own lives ignoring the imperatives they set for others.

It is most important that those who lecture the rest of us to change our lifestyles to lower our carbon footprint show us by example how to do it. It is true that Miss Thunberg's supporters and funders have been very keen to show she will use trains and sail boats , though it has led to questions

about how realistic it is to sail across the Atlantic and how green it is to need so many people to support one traveller's journey.

Others in government and the business world seem to think the rules should not apply to them. Attending important environmental or business conferences apparently justifies international jet travel and chauffeured cars whilst telling others they should not take a plane for a holiday and should leave the car at home. Nor should we regard diesel trains or even electric trains fed by the general grid with fossil fuel power as necessarily the answer. Trains with few passengers may be a high carbon way of travelling. The idea that carbon dioxide emissions should be the prerogative of those able and willing to pay premium prices for their comforts is not a good way to promote the cause. Many of the green answers are higher taxes on normal behaviours for personal transport and domestic heating, which the rich can afford.

There is also the position of some countries that talk the talk on cutting carbon dioxide but do not cut their output in the way the UK has done. China for example buys into the problem yet keeps on increasing its own carbon dioxide output. It has been able to use the argument that as an emerging economy it needs leeway to increase its use of fossil fuels. Now it is better off and more successful surely it should ask itself if its conduct conforms with its concerns. It opens new coal mines and is very reliant on fossil fuels for its industrial activity. It is the largest source of manmade CO₂ in the world. Germany closer to home and much richer than China also is a heavy user of coal and gas to generate electricity, and a big user of fossil fuels in homes and factories for heating and power.

There is also a question of whether it works well enough to sell pardons in the form of offsets . There is now a market in various assets and activities thought to provide some offset to more carbon dioxide released into the atmosphere, which again allows those with the money to continue with fossil fuel comforts whilst paying for an offset.

I do not wish to publish personalised attacks on named individuals in reply.

[Maastricht should no longer rule our economy](#)

Since 2008 the Maastricht EU Treaty rule that state debt should not exceed 60% of GDP has governed our economic policy. It did not do so before Labour's big build up of debt because we were below the ceiling.

Three Chancellors of very different views and ambitions, Messrs Darling, Osborne and Hammond all accepted Treasury and legal advice that state debt as a percentage of GDP had to drive policy. They battled first to get the annual deficit down to the Treaty ceiling of 3%, and then took it down more to get

debt as proportion of GDP down.

Pro EU people often argue the UK did not have to do this because we were not Euro members. This is untrue. It is true we did not face fines for non compliance, but we were bound by Treaty rules and the UK state always accepted the discipline. Every year Parliament held a debate on our compliance. Every Red Book and OBR report included a report on progress with hitting the debt targets as a central part of economic policy.

It was bizarre to hear Opposition MPs condemn the budget stance as austere whilst insisting we stayed in the EU and obeyed its Treaties, as the Maastricht rules were at the centre of the policy.

Now we are out the new PM and Chancellor are right to expunge the state debt rule from our economic policy. Current levels of UK state debt are not too high. The UK can borrow at 0.6% for ten years, showing markets have no worries about debt levels. They supply affordable debt.

The Maastricht rules did not allow us to use the true figures of state indebtedness which should be net of the one quarter of outstanding state debt which the state has bought in and owes to itself. Adjusted for this our debt to GDP ratio is around 67%. This is low by international standards, well below Japan, Italy, Germany, France etc. The Maastricht rules are right to make Euro area states include State debt the ECB has bought in, because of course a Euro state does still owe that debt to an outside party, the ECB. The UK owes money to the Bank of England which it wholly owns.

UK Economic policy should be geared to growth and low inflation, not to state debt levels as the main target.

[The Bank of England's options.](#)

Inflation is at 1.6% compared to the target of 2.0%. Thanks to the world slowdown and the Chinese epidemic oil prices have fallen by one fifth this year, with freight rates and other commodities also well down. The pound is rising against the Euro and yen. All this points to no inflationary surge ahead. Indeed if there is an inflation problem it is it will be too far below target, as the target is meant to be symmetrical.

The Bank of England should recognise that its tightening of credit conditions through two rate rises, FPC advice against car loans and consumer credit, and tough rules on mortgages has greatly reduced money growth. Tight credit has helped slow the UK economy down to almost a standstill. There is nothing wrong with some increase in credit to people in jobs to buy homes and cars, or to businesses needing more stock and equipment because their revenue is growing. The Bank has to work with the commercial banks to assist low inflation growth.

I do not think a 0.25% cut in the low official rate will do much. I would prefer a new round of Funding for Lending, a scheme which makes cheaper money available to UK banks prepared to undertake sensible new lending to the UK economy. This worked well before and would ease pressures in various areas.

The second is to do what the Fed is doing and make clear to markets that the Bank will make cash available by buying Treasury Bills if needed to preserve liquidity and enforce the current low rate structure in money markets. Commercial banks need to know the Central Bank is not about to squeeze them or damage them as the Bank of England did in 2008-9 by leaving markets short of cash.