

## How the single market got in the way of our art market

The UK art market is one of the big three in the world, coming second after New York and a little ahead of Hong Kong/Shanghai. 98% of the world's expensive paintings are sold through one of these three markets. These 3 account for 81% of total world art market turnover between them.

Only 3% of the UK's art exports go to the rest of the EU. Imports from there account for 16% of the total. The EU has imposed two extra costs on the London market not charged to clients of New York or China. One is a VAT on imports. The other is the living artists levy on a re sale.

In typical EU fashion they have invented rules and taxes that make an EU based market less attractive. London has lost some market share to New York and China as a result. It has not helped continental centres. The UK has 21% of the global overall market, and 62% of the European market.

Once we have left the EU the UK could cut the costs imposed. The VAT has cost us some business, but collects very little tax as a result.

It would be good to hear more from other media about the opportunities for us to do better out of the EU in sectors we are good at or have a natural advantage in. I have talked about fishing before, and agriculture is another obvious one. The Art market is an excellent example of something we are good at, something which generates well paid jobs with a high level of training and interest. Out of the EU we can help it grow faster.

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## BBC should correct the Today programme inflation coverage

The ONS today announced a fall in the UK inflation rate in June. That came as no surprise to me, as the main upwards driver of the inflation rate has been oil and commodity prices, and they have weakened a bit recently. The BBC thinks our inflation rate has risen owing to a decline in the pound – a decline which started in the summer of 2015, not with the Brexit vote.

The ONS now confirms in their analysis that the UK inflation rate has risen and now fallen a bit in line with other countries – e.g. US and Euro area – owing to movements in commodity prices. Time for the BBC to catch up with reality.

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## Cabinet briefings

I agree with the Chancellor about one thing. It is best if private conversations around the Cabinet table remain private. Every member should be able to put their case, and all come out telling us what was agreed. If we learn about everything that is said it makes it more difficult for Cabinet to consider awkward issues or unpopular views.

There seem to be two main arguments underway which are now the stuff of media speculation. There is the argument about public sector pay and spending levels. There is another argument about the nature of Brexit.

The pay round is now well advanced. The government did set guidance of a 1% overall payrise for the public sector. Individual Pay Review bodies can propose more in the light of supply/demand circumstances, current levels of pay and standards of living, comparability with other groups and the rest. Government is likely to accept the recommendations of the Review Bodies. I have suggested government give more consideration to productivity based deals where employees receive something for something, more money for working smarter. Government has plenty of scope to help employees work smarter with more technology back up and better training.

The issue of Brexit is meant to have been settled. The government reached a common position for the Article 50 letter and the White Paper. Apparently there are arguments about a transitional deal. We are still 20 months away from leaving, plenty of time to do a proper deal about our future relationship. Surely you would only consider an implementation phase near the end if there really are problems that will take a bit longer to work out. It will be no easier negotiating a transitional agreement than an agreement, so lets get on with the real thing.

There need be no cliff edge without an agreement. We know how WTO operates and what it looks like. There is plenty of time to put in place the landing rights, customs checks and the rest for continued EU trade. We should be doing that just in case there is no deal.

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## More money for Wokingham and West Berkshire schools

I was pleased today that the Secretary of State announced £1300 million more for English schools across 2018-19 and 2019-20. I had been pressing her and

the Treasury hard to make more money available in total for schools, as had others.

She went on to explain that “we are able to increase the percentage allocated to pupil led factors and this formula settlement to 2019-20 will provide at least £4,800 per pupil for every secondary school”. Again I with others had pressed for more of the money to be granted as a per pupil payment so that Councils like Wokingham and West Berkshire would benefit fully.

The government is still planning on introducing a fairer funding formula for 2018-19 and beyond. For the first two years the “national funding formula will set indicative budgets for each school” but “local authorities will continue to set a local formula as they do now for determining individual schools budgets in 2018-19 and 2019-20.” The details of the new national formula will be set out in September.

I will follow up with the Secretary of State on the detail of the formula as I am keen to see a decent result for local schools.

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## [In the EU we did not have any Parliamentary control over new EU laws](#)

What a nonsense this row is about so called Henry VIII clauses.

All our current EU laws either were imposed direct with no reference at all to Parliament, or had to be voted through as Statutory Instruments in order to comply. Thousands of EU laws became our laws with no opportunity for Parliament to debate and vote on them as draft Acts of Parliament. Parliament was warned it could not vote down SIs that were needed to implement Directives, and an alliance of the two main front benches ensured they always passed.

Now Parliament is debating at great length transferring all these laws into UK laws by a full Act of Parliament. Thereafter if we wish to change any of them we will be able to so, but again it will take a full Act of Parliament to do so. That is the restoration of the democratic control we voted for.

Because the draft Act says Ministers for a 2 year period may make technical adjustments so these laws still work in the way intended once they are UK law by passing a Statutory Instrument Labour is wrongly saying this is not democratic.

The power will only be used for technical changes like striking out reference to other member states in what becomes a UK law, or substituting a UK's court or other body to adjudicate or act where an EU institution does at the moment. Parliament will still be involved as any Statutory Instrument can be

debated and voted on if the Opposition wishes.

It is embarrassing to hear and see so much airtime given over to this non story. Why did we never hear about the complete absence of democracy for all those laws the EU imposed on us? Why was it right to allow SIs for major changes to our law when it came from the EU, yet it is not even allowed to use SIs for technical changes to keep the purpose and effectiveness of the inherited EU law?