

[Interview with Dan Wootton On GB News – pre-Spring Budget announcements](#)

I spoke to GB News last night about the Chancellor's upcoming Spring Budget announcements – particularly on support for childcare to encourage parents back into work and the expected corporation tax rise

You can find my interview below between 1:23:20 – 1:30:58

[My Intervention in the second reading of the Illegal Migration Bill](#)

John Redwood (Wokingham) (Con):

Is the Home Secretary also worried that the criminal gangs that are exploiting people in this dreadful way for great profit may also be linked to other types of serious crime and helping to finance other destabilisation?

Suella Braverman – Minister of State for the Home Office:

I am afraid that my right hon. Friend raises a very worrying fact about what we are seeing. When I have spoken to police chiefs around the country, they tell me that criminality—particularly drug supply and usage—is now connected to people who came here illegally on small boats in the first place.

Thirdly, Rwanda is a fundamentally safe country, as affirmed by the High Court. It has a proud track record of helping the world's most vulnerable, including refugees, for the United Nations.

[The Small boats Bill](#)

There was a strong divide in the Commons yesterday, with much better attendance than usual for the debate on the small boats bill. Labour, the SNP and Lib Dems were angry about the idea that people arriving on illegal boats should be asked to leave and will lose their right to apply for asylum here in the UK. They thought this would be against Human Rights law and were on the side of the people paying large fares to gain illegal entry.

Many Conservatives were only concerned about whether this Bill will be strong enough to act as a clear deterrent to people not to spend their money on

dangerous crossings, lining the pockets of people traffickers. More concern was expressed about the risk to lives and less about the legal issues. There were questions about whether this Bill would be proof against endless appeals and legal claims against any rejection of an asylum application. The Home Secretary pointed out that many of those coming by illegal means come from safe countries. She told us that many Albanians have now been required to return to their home.

There was argument over the adequacy of existing safe routes. The Opposition spoke as if there were few or no such routes, and as if the UK did not take enough people in need. The government pointed to the Afghan, Syrian, Ukrainian and Hong Kong schemes which are much used. It also reminded the House that there are schemes for people from any qualifying country around the world, with the family reunion route, the Community support route and the general UNHCR scheme. The UK has found homes for a large number of Ukrainians and Hong Kong citizens in recent months.

There was an unwillingness by the Opposition to accept the idea that the country should set a maximum for the numbers of asylum seekers we can take in any given year, given the need to provide good homes, schools, health care and the rest for new arrivals. Most did agree that migrants occupying more and more hotels at taxpayer expense was not a good model, though there was less agreement over how much such emergency accommodation was needed and to what standard. This is going to be a major divide in Parliament over the next few weeks, and will pose a challenge to the Lords.

[The collapse of Silicon Valley Bank UK](#)

Last week Bank account users at SVB UK could withdraw their money or make their payments from their bank accounts safe in the knowledge that the UK Regulators thought it solvent and well run. It had its banking licence. Any regulated bank should have access to Bank of England funds in the event of a sudden increase in withdrawals straining the bank's liquid reserves available to pay out.

Last weekend the Bank of England announced its plan to put SVB into administration. This followed a similar move by the US authorities on the parent bank in the USA. It happened despite UK SVB telling people that it was ring fenced from the US operations. I thought it was meant to be independently regulated in the UK.

All this leads me to ask why did the Regulators change their mind last weekend about its solvency? Was there some requirement from the US parent that did require money from the UK Bank? Or did the Regulators discover things had gone wrong in the UK Bank?

If the UK Bank had invested in bonds which had then lost lots of money as

some press comment suggests the U.S. bank had, the Bank of England would have known that in the autumn when they launched their Quantitative tightening programme on the eve of the Kwarteng budget. They had the clear wish to drive bond prices down to get interest rates higher. When they saw their impact on LDI funds owning bonds they should also have seen the impact on banks holding bonds direct as investments. If some venture capital loans had gone wrong for SVB again the Regulators should have known their exposures and asked about their bad debt position.

Whatever the banking issues there needs to be a quick fix so companies with trading money on deposit with SVB can access it to carry on their businesses. We do not want taxpayers to have to bail them all out. We want good banking regulation and an orderly wind down of SVB if there are good reasons to take it into administration. A takeover by another bank which protects the depositors would be a good idea in such circumstances.

The balance between spending and taxing

There are stories in the press suggesting the Chancellor will have some scope to boost spending or cut taxes in the budget. There are also suggestions that boosting spending will take priority.

It would be good first to create more room to make changes. We read work on getting more people into jobs is going well. If more people take up paid employment benefit and tax credit spending falls and tax revenues rise. The inflation rate is coming down, so they need to put a large saving on debt interest into the figures. Last year debt interest on their accounting basis soared thank to the large rise in inflation linked debt costs. There will be big savings on the energy package which should be allowed to run off this year.

There are comments that defence will get some more money. It needs to restock ammunition and weapons to replace that sent to Ukraine. It needs to get up to strength on personnel numbers.

The NHS will need help with meeting the extra pay bills. It also needs to review its current spending priorities and see where the large increases of the last three years have gone. Childcare may need expansion as part of the workforce package. There is talk of more energy subsidy than planned.

It is vital there is scope for tax cuts. Some of these will boost revenues though OBR forecasts will say otherwise. Without more growth we will struggle to afford good public services. High tax rates can induce a cycle of decline by deterring enterprise and investment.