

We cannot afford tax rises

Tax rises usually do damage. They deter investment, destroy jobs, prevent people spending money, cut business turnover, push rich people out of the country. They are favoured by those who want greater equality from greater misery. Get rid of all the rich foreigners and we will have more equal society, but we will also lose their investment money to create jobs and say good bye to their spending power diverted to competing countries.

The November Financial Statement put up taxes substantially. It also raised the amount we have to borrow massively by 75% compared to the March OBR forecast. This was the direct result not just of the energy cost increases but also the result of the slower growth they had to factor in. High taxes, low growth, excessive borrowing come from each other. Labour proved that by their more extreme excesses on tax in the 1970s when we had huge deficits and a so called brain drain as talent poured out of the country. The government need to grasp that the best way to get the deficit down is to grow faster. To grow faster we need lower tax rates, not higher. We need enough tax incentive for rich people and companies to come here, invest here, spend here. We need to allow more home talent to be self employed, to set up small businesses, to grow larger businesses. Why is one of the UK's greatest entrepreneurs Sir James Dyson having to decry government policy towards jobs and investment?

I will be producing some pieces on how we can have affordable tax cuts in the March budget. They need to be affordable costed growth promoting tax cuts that help increase the number of successful entrepreneurs, attract foreign capital and stimulate investment in the extra capacities we need. If the government is serious about getting inflation down it needs to promote and facilitate more domestic energy supply, more home grown food, more fish landed in the UK, more trees growth for timber here, more steel and ceramics output and the rest that we need to curb imports and increase supply.

Retained EU law Bill

Yesterday the retained EU law Bill completed its Commons stages. The Opposition put up a barrage of absurd criticisms and false scares instead of debating the real issues. The government endlessly made clear it had no plans to revoke employment rights and environmental protections. It argued that the UK had often pioneered these laws before joining the EEC/EU, and had often gone beyond the minimum standards required by Brussels.

The main advance provided by the legislation is to take all retained EU law which was transferred en bloc on leaving as a separate category of UK law and to make it pure UK law through this measure. Once this is done the law falls

to be interpreted by UK courts without reference to ECJ past judgements, and is in a form which allows amendment, improvement or repeal as Ministers and Parliament see fit. Ministers will not be able to do any of this without further Parliamentary processes. In practice any substantial change to a body of law is likely to need primary legislation in the UK Parliament.

The worry about the Bill should not be the wrong forecast that it will lead to wholesale cancellation of retained EU laws, but that it may not result in a thorough enough review of all this legislation followed by sensible amendment and repeal. We need a better debate on which of the many laws we opposed unsuccessfully at the time of their introduction should be revisited.

I wish to see early use of our powers to cancel VAT on energy, and to permanently remove it from green products. I wish to see greater use of our new powers in agriculture to promote more UK food production. I wish to see the Ports Directive repealed, the droit du suite removed to assist our art market, an improved Data Protection regime, strengthened controls against ultra large foreign trawlers in our fishing grounds, pro science rules to foster UK work in medical and pharmaceutical research, the suspension of emissions trading which is penalising our energy intensive industries at a time of high energy prices and strengthened policing of our borders amongst others.

I look forward to the government's list and would be interested in your thoughts on improving the inherited law base.

[The Northern Ireland Protocol negotiations](#)

There is considerable discussion and much misinformed commentary on a possible EU/UK deal on this outstanding disagreement.

The Protocol itself was an agreement to disagree, a temporary holding position pending the full Trade and Co-operation Agreement between the UK and NI. Then there was the failure to resolve the outstanding issues even at that later stage. It left unclear the interactions of EU and UK law and of the respective internal markets.

The Protocol does make clear the primacy of the Good Friday Agreement, which the opening of the Protocol says "must be protected in all its parts." Yet the Protocol now is the main cause of dissent, preventing the resumption of devolved government and cross community working which lies at the heart of the Good Friday Agreement. . The Protocol does not enjoy the consent of the Unionist community, yet the Good Friday Agreement requires the consent of both communities to important matters covered by the Protocol. Most people of good will want the Good Friday Agreement to continue to provide a secure

future for NI, and are worried by the current impasse over attendance at the Stormont Assembly.

The Protocol states support for the “shared aim of avoiding controls at the ports and airports of NI to the extent possible in accordance with applicable legislation” . It is to have regard to “the importance of maintaining the integral place of NI in the UK’s internal market”. Article 1 “respects the essential state functions and territorial integrity of the UK”. NI is recognised as part of the customs territory of the UK. Article 6 is dedicated to the protection of the UK single market.

The truth is the EU negotiating mandate does not allow a solution, because it violates these crucial features of the Protocol and does not respect the legitimate concerns of the Unionist community. So far we read the UK may share more of our trade data with the EU concerning internal trade within the UK, with no reciprocation. We hear the UK is considering border control points at ports and airports in violation of the Protocol to avoid checks on internal UK trade into NI. None of this makes any sense, as it will annoy the Unionist community more.

Those wishing to help resolve this need to understand these simple points. Nothing can work in NI without the consent of both communities. The Protocol does not have Unionist consent. It is not just a matter of trade issues. The Unionist Community does not wish to be subjected to EU law with no rights to reject or amend it. The EU and UK should not seek to force a solution on NI that one community rejects.

The UK has been very generous is seeking to meet the legitimate concern of the EU, namely the protection of their single market. The UK could secure this for them by the method of UK legislating to say it would be an offence for anyone in NI to seek to export into the EU products that do not meet EU laws and regulations. There is no case to justify barriers to GB to NI trade, nor the imposition of EU laws on NI now the UK has left the EU. Of course the UK should supply all data concerning exports to the EU that the EU wishes to see. The checks and controls on exports to the EU need not be made at the border but can be made at the farm, factory or warehouse from which the consignment is despatched.

Article 13.8 envisages the amendment or ending of this Agreement. Article 16 allows either side to take unilateral remedial action in a wide range of problem circumstances, and seeks to outlaw trade diversion which imposing barriers on internal GB/NI trade can create.

[My Intervention in the Strikes](#)

(Minimum Service Levels) Bill

John Redwood
(Wokingham) (Con):

Could the Secretary of State give us a little more indication of how he will consult on and agree minimum standards in the railway industry?

Grant Shapps:

I will set out in a bit more detail the way in which the legislation will work in a while, but, briefly speaking, secondary legislation by regulation will be used in each individual sector to come to the right balance. I will explain that in more detail, if my right hon. Friend is patient. I will give way in just a moment. I have already taken more interventions from Opposition Members than from Government Members. I think it is true to say that there comes a time when we cannot let such a situation continue. That is why we need minimum safety and service levels to keep livelihoods and lives safe. It is frankly irresponsible, and even surprising, for the Opposition to suggest otherwise.

Written Answers from The Department for Business, Energy and Industrial Strategy

Glad to report we have made some progress in keeping the lights on. Intervention has secured the capacity cited below to bring into use when there is insufficient wind and solar available. This amounts to around a third of necessary output on a cold busy day and to around half of other times:

The Department for Business, Energy and Industrial Strategy has provided the following answer to your written parliamentary question (117398):

Question:

To ask the Secretary of State for Business, Energy and Industrial Strategy, what is the maximum electricity output from all coal and biomass generating plants in the UK that would be able to operate if needed. (117398)

Tabled on: 06 January 2023

Answer:

Graham Stuart:

As of the end of September 2022, the installed capacity of coal and bioenergy plants in the UK totalled 14.1 GW of electrical power. This comprised 5.9 GW for coal-fired plants (Digest of UK Energy Statistics, DUKES 2022, [Table 5.11](#)) and 8.1 GW for bioenergy plants (Energy Trends, December 2022, [Table 6.1](#)). The latter comprises 4.7 GW for solid (animal and plant) biomass and 3.4 GW for other bioenergy.

The answer was submitted on 16 Jan 2023 at 14:57.