

The need to change the law to stop small boats

The Prime Minister promised us he will stop the small boats that risk the lives of illegal migrants to get them into the UK. He made this one of his five aims. Last November he promised early action to deliver.

A previous Home Secretary introduced legislation to resolve this problem in UK law. Best Home Office and legal advice did not succeed in drafting a lawyer proof law, so the Home Secretary's aims were thwarted by legal challenges. Even criminals stayed in the UK with lawyers and the courts preventing their departures.

This week the PM and new Home Secretary I read may publish their draft bill. I have been urging them to get on with this since November. It will not work unless it expressly overrides the Human Rights laws for these specific cases of people who have come here illegally. They should not be able to claim asylum from the UK after illegal entry. The Bill could contain a clause making this point and saying this applies, all other laws and Treaties notwithstanding.

We need to get on with this. Filling up hotels with illegals, keeping them there for many months and failing to send back those with no good asylum claim is unacceptable.

Lockdown arguments

The Telegraph is writing the history of the pandemic lockdowns before the official enquiry gets underway. Today I provide an opportunity to comment on the stories so far.

I joined the group of MPs who wanted a solution more like Sweden, with fewer restrictions. I voted with them against the more extreme controls. I pressed for better protection of care homes, drawing attention to the discharged patients from hospitals as possible carriers of infection. I pressed for isolation hospitals for covid, and for use of the Nightingales. I wanted the full use of the contracted private sector hospitals for non covid work.

I and the group of MPs challenged the data, drawing attention to the important difference between dying with contact with covid and dying of covid. We pressed successfully for Parliament to meet, in hybrid form at first and then got the proper restoration. The Opposition supported all the lockdowns and urged more and longer. They did not press for early restoration of Parliament which some of us wanted to question and scrutinise government

and experts more.

I have no comments on what Mr Hancock has saying and doing. I need to concentrate on today's issues.

More investment

The Chancellor needs to look to the investment figures. They are likely to decline this year. A hard pounding from windfall taxes and price controls to be followed by a 31% rise in business tax should push investment down and put big companies off investing here.

Yet what we need is a surge in new investment to raise more capacity.

We need more domestic oil and gas. There is plenty to get out, saving imports and cutting CO₂ but high and erratic taxes and regulatory enthusiasm for imports over domestic is costing us dear.

We need more transport capacity. Crowded roads and poor junctions need alleviating with more bypasses and freer flowing main routes. Rail investment is dominated by an ill judged HS2 which is cost and no benefit this decade. We need more local and de bottlenecking improvements along with digital signals to raise capacity.

We need more steel capacity as we keep closing plants thanks to overtaxation

We need to grow more of our own sustainable timber

We need to put in more market garden all weather growing capacity. instead we offer wilding grants to stop farming.

We need more electricity generating capacity from reliable sources. Where are the contracts for Small Nuclear reactors? Where the new combined cycle gas stations to keep the lights on when there is no wind?

We need more reservoirs to meet the demands of rising population

We need more grid capacity to convey wind power from Scotland to users

We need more ship and aircraft building capacity to meet defence and civilian needs

We need to rebuild our fishing fleet

Much of this can and should be done with private capital. To do it we need lower and stable tax rates. With it we will receive more revenue.

A few more complex corporation tax offsets will not fix this. It needs

commitment to low and stable tax rates to grow the taxable capacity. On current policies businesses taxes will shrink.

The Protocol needs an exit route for the UK and should leave us in charge of our laws and taxes.

I have tabled questions to the government about their proposed changes to the Protocol.

I want to know how many EU laws will still apply to Northern Ireland. It appears the EU decides this and the UK can do nothing about it. The so called Stormont brake does not apply to these laws, which we cannot amend or remove. I and my colleagues have given the government solutions to border issues which do not need NI to be under EU law.

I want to know from the Treasury if various VAT rules remain place from the EU as the EU says or if we take back control of VAT as the UK says. If there are EU powers what are they?

I want to know if the EU also retains some controls or influence over our Excise taxes as the EU says.

I want to know if any exit route from the Protocol is available to the UK if it does not work out.

It would be a bad idea to lock the UK into EU laws and controls with no unilateral way out.

I am also concerned that the Stormont brake would not work. The UK legal establishment has shown itself very supportive of EU rights and powers and might well be reluctant to accept there was sufficient reason to veto an EU law. The use of a Treaty format limits Parliament's ability to accept or refuse new laws in the way it can for domestic legislation.

Brexit is all about making our own decisions about laws and taxes. Clearly parts of the UK establishment still wants to make that as difficult as possible.

The subsidy/tax merry go round

The western economies that have prospered from vibrant free enterprise sectors with competition driving change, quality and value are being subjugated by large scale interventions from government. The US, the UK and the EU are moving towards more managed models, with the state introducing price controls, windfall taxes, subsidies and regulations to have more say over what is bought and sold, where and how things are made and over what people are allowed to buy. State spending and taxes rise as the state takes money from people and companies to give back to people and companies. The energy sector has been particularly prone to this during the energy crisis, with widescale adoption of income support, price controls and company subsidies alongside windfall taxes, redirection of energy purchases and a major drive to change the way energy is generated or provided.

Energy is not alone, however. The price of money was taken way down by state and Central Bank action, only to be priced up again when the predictable inflation broke out. Housing is more and more regulated with more controls over landlords and higher taxes, leading to a contraction in supply and more upwards pressure on rents. The state is deciding to ban products like diesel and petrol cars and certain types of heating. Governments are using sanctions, origin rules and other methods to change the patterns of trade.

Each of these individual actions is introduced to tackle a problem or to pursue a general policy goal, but taken together they can put people off going into business and can deter companies from making the large investments they need to make to provide sufficient capacity. UK gas and oil stays under the sea as policy prefers to import. The electrical revolution requires a massive expansion of grid capacity but so far this has not been forthcoming. This leads to windfarms with no ability to sell their power and companies looking for the power they need to expand their activities.

The subsidy/windfall tax balloon raises state spending and may also raise state borrowing. Governments are underwriting more risks that should reside in the private sector. Businesses ask governments now for grants and loan guarantees before committing to battery plants, EV plants and new energy provision. Governments need to rein in some of their excesses in these areas. They are likely to cut supply and make it more difficult to find the homes, the power and the transport they need.