

CBI business optimism

Surveys of opinion can be unreliable. In July 2016 the CBI survey showed a dreadful minus 47, compared to a minus 4 in January 2016. At the time I thought it an odd reading predicting a downturn we would not experience, as time proved to be the case. Today's survey shows a surge to plus 15 for this January, implying good growth to come. It's a great turn round in sentiment from ultra pessimism last summer.

More reliable order book figures show plus 15 this January, compared to plus 5 last January. This is a better indicator of more growth to come. Why are some forecasters still expecting a big slowdown?

Cold Weather Payments

Cold Weather Payment has been triggered by low temperatures in Wokingham this week. You can check your eligibility here:
<https://www.gov.uk/cold-weather-payment/eligibility>

The will of Parliament

Yesterday Opposition MPs shed crocodile tears about the need for a sovereign Parliament. They were under the misapprehension that Parliament has no proper role in the Brexit process. They seemed to think only unelected Judges could uphold the sovereignty of Parliament against a government determined to implement the wishes of the electors as expressed in the referendum.

Let me explain a few home truths to them. The first is we do not currently have a sovereign Parliament. That was the main point at issue in the referendum. All too many MPs in recent decades have voted away the powers of Westminster, passing authority on issue after issue to the EU. The public voted to reverse that. I have spoken out against the puppet Parliament we currently suffer from. All too many laws, budgets and policies are determined in Brussels in ways the UK Parliament cannot gainsay.

Any opposition there is to implementing the wishes of the people should properly concentrate on the Parliamentary process. It should not need to go to the courts, and the courts themselves need to be careful not to think it is their job to set the Parliamentary agenda. If there was a big body of MPs who wanted to reverse the decision of the referendum and thwart the will of

the people, there are ways they can seek to do so. The opposition parties have days allocated to their choice of business. They could use any one of those to hold a debate and a vote to prevent Brexit. They can use government debates on the EU which are available in abundance to make their case. They can make it during the various Statements the government issues. They can seek Urgent Questions on matters they rank as important. They can use their seats on the Brexit and European Affairs Committees to put their case. They can oppose the repeal of the 1972 European Communities Act when we get to it, when there will be government led votes where they can vote against.

The fact that they have chosen to do none of these things tells you that they rightly judge they must not be seen to deliberately seek to countermand the decision of the voters in the referendum. The Commons voted 6 to 1 in favour of a referendum, described as transferring the decision to the people by the government introducing the Bill. How can MPs who voted for the referendum go back on its central promise to let the people choose? If only more of these Opposition MPs would grasp that we do not currently have a sovereign Parliament. What a cruel irony that some Members of Parliament prey in aid the idea of a sovereign Parliament, whilst doing all they can to stop one being recreated. At least the Supreme Court was right to tell the Scottish Parliament that our membership of the EU is a matter for the whole UK and for the UK Parliament. They do not have veto on this national decision.

Industrial strategy

The government has published its Green Paper designed to boost industry and productivity, and to spread investment and prosperity more widely around the UK.

One of the main improvements I have been seeking is improved public procurement. The paper stresses the need for change in this area. The public sector buys all too many items from overseas, when acting as an intelligent customer and partner of UK business would allow it to buy good value goods and services here in the UK. The public sector would then benefit from the taxes levied on that business activity and on the incomes of the employees involved, and there would be a saving on the balance of payments.

The Defence department has ordered a large number of Ajax light tanks from Spain. Given the long term production runs needed the government could have worked with a UK company and design. It is importing steel for our new submarines on the grounds that our industry does not make the right specification. Surely it could have been worthwhile to discuss with our steel industry how they could invest in transforming their base steel into the required material? We are importing large quantities of building materials and components for the UK public housing programmes executed by Housing Associations and Councils. This again is work that could be done at home.

In our overseas aid programme large sums are sent to foreign institutions, charities and companies to spend for us. I want to see us concentrate our aid activities on specialist areas like disease eradication and the provision of clean water. If we did we could have sufficient purchasing power to allow companies to invest in producing the vaccines and water plants here in the UK instead of importing them from other rich countries. Overseas aid is best spent in the country you are helping. Where that is not possible it should be spent on things we are good at here.

The Green Paper also covers R and D, skills, infrastructure, start ups, exports, affordable energy, world leading sectors, spreading investment around the whole UK and creating institutions to assist. Tax cuts would also be a big help in generating enterprise and growth. Ensuring proper competition and preventing take over by large groups wanting to reduce competition will also be essential.

Letter to America

Dear President Trump

I congratulate you on your installation as President. Your vision to create more jobs, revitalise US infrastructure, boost US take home pay and inject more life into US economic leadership is a bold one. We in the UK are also embarked on a similar task as we leave the EU. We too need to build more roads, railways, bridges, energy plants and water supply facilities. We too need to make more things for ourselves and import less to narrow our trade gap. Our two countries can indeed trade with each other more, as ours is a fair trade with a reasonable balance of imports and exports for each party.

Your proposals to produce more realistically priced energy will help restore your manufactures. Cheap energy is a vital part of a flourishing industry. Your plans to cut corporate and individual tax rates will energise entrepreneurs, spawn more investments, and allow people to keep and spend more of their earnings. That in turn creates demand which generates more jobs. The USA in recent years has pioneered much of the digital revolution and has done well in creating more companies and jobs in technology, but has suffered from Chinese, German and Mexican imports of industrial goods which could have been made more extensively in the USA. Tax reform, cheaper energy, a better regulatory climate and a President who supports manufacturing will make a difference.

Both the USA and the UK could benefit from an early free trade agreement between our own two countries. Fair trade which results in a sensible balance between the trading parties can enrich and enhance both sides. If our two countries draw one up and sign it, it will show the world that the USA is not afraid of fair trade, and it will put more weight behind the UK's intention to be an even more successful world trading nation open for

business globally.

I was pleased to read you are planning a summit in due course with Mr Putin. The West has made mistakes in recent years with its military interventions in the Middle East. Some carefully planned joint working with Russia which also has a presence and diplomatic interests there might help achieve the important but more limited objective you have set in combatting ISIS. Past policy has suffered from conflicting and ambitious aims which have resulted in all too many civil and religious wars in the region.

The UK and the US can make common cause to strengthen NATO for our mutual defence. As one of the few countries that does hit the minimum 2% GDP target for defence spending, the UK is a natural ally in your campaign to get all NATO members to spend at least the minimum. If I tried only paying a portion of the insurance premium I owe to insure my home the insurance company would cancel the cover. Why are countries that want their allies support any different if there is a minimum? The EU does not allow its members to pay a lower subscription, and none of our EU friends short change the Commission.

I am pleased our Prime Minister will visit on Friday. There is plenty of scope to increase our joint working on intelligence, defence, trade, economic policy and general foreign policy. I wish you every success in tackling the problems in the USA that you have identified.

Yours etc