

Sterling strengthens

Parliament votes down the Withdrawal Agreement and sterling strengthens a little against the dollar and the Euro. I have often said I do not think sterling is mainly driven by views on Brexit, but it has been noticeable the absence of comments from the usual suspects. They are doubtless disappointed that sterling has edged up at a time when the only deal on offer has just been voted down.

The EU moves to control taxation

I was pleased to see the EU is moving as planned to set more tax rates and tax policies at the EU level just as I have been predicting. The EU needs to centralise more to back the Euro and to complete its political union. It also underlines why many of us do not want this future for the UK, where we want to vote for those who tax us and have the right to sack them if they displease. As The EU's latest document says, it wants to stop member states offering lower taxes as incentives to businesses or rich individuals. It wants " a fair tax environment for all" which they say only the EU could guarantee for member states.

The ideas set out in "Towards a more efficient and democratic decision making in EU tax policy" concentrate on removing the ability of a state to veto a tax proposal. The EU also wants to introduce powers for the European parliament in this area. They are keen to press on with a common corporate tax system, VAT, a Financial Transaction Tax and a Digital Services Tax. They claim "co-ordinated EU action in taxation is essential to protect Member State's revenues". They claim "In today's larger, modern and more integrated EU, a purely national approach to taxation no longer works and unanimity is neither a practical nor an effective way of decision making". They want a standard system of VAT with a single form instead of 28 varieties as at present, and the ability to stop Ireland and others undercutting corporate taxes to attract business.

You cannot be an independent country and have others impose taxes on your citizens and set your budget. The UK is getting out just in time. If we stay in or bind ourselves to their laws after technically leaving we could end up with their new taxes that would damage our businesses and our consumers.

Fixing Universal Credit

Some constituents have sent me copies of a national campaign email wanting the government to stop the roll out of Universal Credit, and expressing worries about it. I am pleased to report that when I visited our local Benefit Centre I was told that introducing it for new claimants had gone smoothly, and the system was liked by both staff and recipients who thought it superior to the multiplicity of benefits with different requirements under the old system. I have had very few constituency cases about it, and no pattern of systemic failures or major issues.

The government is going slowly over transferring existing benefit recipients onto it, and has promised people should not normally lose over it. The government is going to undertake a pilot and is ready to make changes if problems emerge. There has been understandable concern about the speed of receipt of first payments when going on to the system. I have lobbied on this with others, and some improvements have been made. I repeated this wish in the Commons during the Statement his week on UC.

I am also concerned about the treatment of housing costs, understanding that people cannot easily move into a smaller property when the benefit system says they no longer qualify for full rental assistance owing to the size of their home. I also raised this, and will follow up with the Minister who did not give a clear answer.

What now?

The predictable and large defeat of the PM's main policy is unprecedented in my time in the Commons. I have seen governments forced into climb downs on unpopular policies, but never seen a PM put so much effort into defending a policy which united a large element of her own party with all the forces of opposition. It is difficult to fathom why she carried on with it. She knew the DUP would oppose, so that was the end of her majority. She knew 22 people had resigned from government and party posts in protest at the policy, so how were they ever going to support the policy they had so visibly opposed? She knew an active group of more than 60 Eurosceptics who had helped her secure the EU Withdrawal Act and had offered much well researched advice on how to handle the negotiations were in complete disagreement with Chequers and the draft Agreement. Maybe she decided she needed to show both the UK and the EU that the best Agreement on offer from the EU was completely unacceptable to Parliament and a clear majority of the people Parliament represents.

There is no point in going back to the EU to try to fix the Withdrawal Agreement. Even if the EU was prepared after this to take the Irish backstop out of the Agreement there is still no majority to carry the proposal, though

maybe half the Conservatives against it in its current form might think again. Why would the EU offer anything when that too is likely to be rejected?

Instead the PM should come to the House to make her considered statement saying she will return to the EU with two proposals from the UK. The first is to complete rapidly the various agreements underway or needed to ensure a smooth transition on exit on 30 March 2019. The second is to table a full Free Trade Agreement based on the best features of the EU/Canada and EU/Japan agreements which we know the EU can accept. If the EU expresses interest in negotiating such an agreement and agrees broadly with the proposition it should be possible to avoid any introduction of tariffs and other barriers on trade pending the negotiation of a full FTA, under clause 24 of the WTO treaty.

Either way, exiting without a dreadful deal is the right course to follow. The PM was correct to stress No Deal is better than a bad deal. Parliament has just rightly decided that was a very bad deal. Indeed it wasn't a deal at all. It was a very expensive invitation to more prolonged talks about a possible deal.

[Does Parliament want to deny the people their voice, vote and freedom?](#)

Today UK democracy is on trial in Parliament.

The people voted, yet a large number of MPs want to deny them the results of their vote.

Some Remain MPs are too clever by half and too clever for the good of Parliament. They argue that Parliament will take back control, as people wanted, but their idea of Parliament taking back control is to return massive powers to the EU or to prevent us leaving EU control in the first place. What an unpleasant irony! They wish to go to war with the people, and deny them the result of the People's Vote, cynically misrepresenting that as taking back control.

The large Remain side in Parliament never wanted to debate EU matters before the referendum. They told us they were technical, that the EU had little control over us, and that those of us who wanted to talk about the growing power of the EU were wrong and out of touch with the real issues of the day. Now we have voted to leave they want to talk about nothing other than EU membership. They endlessly repeat the arguments that lost them the referendum and carry on hectoring Eurosceptics and trying to terrify us into changing our minds. It is high time we put this debate behind us and left the EU. If we cannot negotiate a good deal in 2 years 9 months before giving the EU what they want, there would be no chance of negotiating a good deal for the future

in 21 months more if we have given away the main bargaining advantages we have through the Withdrawal Agreement.

The people made a decision. They were promised by government and Parliament it would be implemented. Today Parliament should vote down the Withdrawal Agreement, which is the stay under EU control agreement. Parliament should also make clear we must now leave on 29 March. The PM should return to the EU to ensure smooth passage out, as it is in their interest as well as the UK's. She should also offer free trade agreement talks for as soon as we are out. The UK can trade just fine with the rest of the EU under WTO rules. The government should immediately publish our schedule of tariffs for March 30th, which should be lower than the EU schedule and should include zero tariffs on components needed by UK industry and zero tariffs on food we cannot grow or rear for ourselves.