

# The UK's international reputation as a trade partner needs this UK Single market Bill.

As so often the EU establishment puts round the wrong message. They say the UK's reputation will be damaged by legislating to make sure we control our own single market and customs union. The opposite is the case.

The rest of the world would think it bizarre if the U.K. meekly accepted continuing EU controls over our laws, trade rules and borders from 1 January. Those countries negotiating trade deals with us want to ensure the U.K. is fully in charge of its own markets and laws, so they can sign an Agreement with an independent country with the full range of trade powers. They do not want a U.K. under the control of the EU, or with a split domestic market with issues into and out of Northern Ireland.

Those who worry about international law or Treaty obligations should explain why the EU does not always accept WTO judgements and rulings when as a signatory to that Treaty it should. Why doesn't the EU allow member states and member states companies have direct redress at the WTO for EU non compliance?

In the case of the UK why do we not hear more about our non compliance with International human rights over prisoner votes? Why do the worried establishment accept Labour's limited implementation of the Human Rights Treaty, reserving to Parliament the right to override when needed?

The government rightly reminds us U.K. law will take precedence when we legislate. They are not yet explaining that the EU is not observing the parts of the Agreement they do not like, presumably because the U.K. hopes they will improve and show a new spirit looking for an Agreement. I fear the EU has dug in and expects the U.K. to crumble. That will reinforce our case that they have not negotiated in good faith and have not observed the WTO's insistence that the U.K. will be sovereign with its own single market, customs union and independent trade policy.

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## Why I support the UK Single market Bill

I have stated why I think this Bill is necessary and legal. Let me remind those who write to me to complain about the draft legislation.

The EU Withdrawal Agreement left open a solution to the borders and customs issues in Northern Ireland. The Irish Protocol is at best ambiguous. There is no single interpretation or right understanding of it, as it sought to bridge differences and leave a further period of negotiation to settle the future relationship in a way which would deal with the outstanding issues. Many of the problems would fall away were the EU to accept the UK Free Trade proposal which is included in the Political declaration signed by both parties.

Thus the Protocol is introduced by a series of propositions which include

“Nothing in this Protocol prevents the UK from having unfettered market access for goods moving from Northern Ireland to the rest of the UK’s internal market.”

“”Underlining the Union’s and UK’s shared aim of avoiding controls at the ports and airports of Northern Ireland to the extent possible in accordance with applicable legislation and taking into account the respective regulatory regimes”

“Recalling that Northern Ireland is part of the customs territory of the UK and will benefit from participation in the UK’s independent trade policy”

“Having regard to the importance of maintaining the integral place of Northern Ireland in the UK’s internal market”

So the Agreement accepted the UK could diverge in regulations, and there would be no barriers to trade between Northern Ireland and the rest of the UK, which is what this Bill seeks to implement. The Agreement also put in various Union requirements which they now wish to highlight at the expense of these UK protections.

In case there is doubt, as there are some conflicts with other aims and clauses in the Agreement, Section 38 of the UK’s EU Withdrawal Act provides for a UK Parliamentary override of the provisions if necessary.

Mrs May and her advisers would not accept such a UK provision, as they thought it meant we would not properly implement the Agreement. The EU sustained no objection when this crucial safeguard was inserted and passed. They must have known it meant conditional or qualified implementation. Nothing is agreed until everything is agreed was a sensible mantra. I would not have voted for withdrawal without the crucial sovereignty override as I made clear at the time. I also made clear I expected we would need to use it if the EU did not proceed to an FTA respecting our sovereignty.

I also now have confirmed that the UK government also thinks it is acting legally. Speaking in the House of Lords, Lord Keen a Law Officer in the government said: ‘I continue in post and continue to advise, encourage and stipulate adherence to the rule of law – understanding that, from time to time, very real tensions can emerge between our position in domestic law and our position in international law.

‘It is not unprecedented for legislation passed by this parliament to cut across obligations taken at the level of international law. In those

circumstances, domestic legislation prevails”

Both the Lord Chancellor and the Attorney General stay in post and have been party to the discussions on the draft legislation. The statement by the Northern Ireland Secretary is not a view shared by many, and is not as significant as the clear understanding of the Law Officers that the government is behaving legally.

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## I voted for the Clause 38 override when I voted for the Withdrawal Act

I reproduce below part of my speech on the Withdrawal Act as it is very relevant today. I and like minded colleagues only voted for the Withdrawal Act because it provided a clear UK legal override if the EU did not keep to their promises of respecting UK sovereignty and working to a Free Trade Agreement.

My contribution to the European Union (Withdrawal Agreement) Bill debate, 8 January 2020

By JOHNREDWOOD | Published: JANUARY 9, 2020

John Redwood (Wokingham (Con)): Clause 38 is welcome. I pay tribute to my hon. Friend the Member for Stone (Sir William Cash) for being one of the co-authors of that excellent piece of Government-proposed legislation. I also support the Minister in opposing various new clauses and amendments before us.

It seems to come down to the question, “What is sovereignty?” and I think the public understand it so much better than many Opposition MPs seem to. The public fully understand that our constitution should be based on the proposition that the public decide who should represent them in the House of Commons and then the House of Commons decides what laws are appropriate, what taxes to raise and how to spend that money, and at the end of four or five years—or sometimes a shorter period—the public get to judge whether we collectively made a good job of it or not, or whether there is some new configuration of Members of Parliament that can make it better. So the public are ultimately sovereign but they trust us, their elected Members, with their sovereignty for a period of up to five years to exercise the powers of government.

When we first joined the European Economic Community, the country was assured that that sovereignty—that set of powers—would not be damaged in any way. To underwrite that promise the Government said, correctly then, that there would be no matter decided in the European Economic Community that could be forced on the United Kingdom against its will; we always had a veto so that if it proposed a law, a charge or a tax that we did not like, we could use the veto. Over our years of membership, we have seen those vetoes gradually

reduced—those powers taken away—so that today, although we are still a full member of what is now the European Union, there are huge swathes of policy areas where we are not free to legislate where we wish, or in some cases not free to legislate at all, because it is entirely occupied territory under the Community acquis.

The ultimate sovereign power in the United Kingdom today is the European Court of Justice; that is the ultimate appeal of any legal issue, and it can overrule what the two Houses of Parliament decide, it can overrule a statute, and it can strike down a law passed in this place. It is that which a majority of the British people decided they thought was unsatisfactory.

When they had voted many years ago to support our continued membership of the European Economic Community it was called a Common Market and misrepresented as a free trade area, which of course is rather different from a customs union with complex rules, and they were given an assurance that their Parliament would still be able to choose their taxes, spend their money and pass their laws in the traditional way. That turned out not to be true.

The loss of those freedoms was progressive under the Single European Act, under the Maastricht treaty, under the Amsterdam treaty, the Nice treaty and, above all, the Lisbon treaty. The Lisbon treaty was the culmination of that journey towards a very strong European Government that was superior to the United Kingdom Government, and the implied substantial strengthening of the wide-ranging powers of the European Court of Justice, because every directive and every regulation that was passed—and there were thousands of them—not only produced a more directly acting legal power over our country that we could not modify or change, but also gave so much more extensive powers to the European Court of Justice because it is the ultimate arbitrator of that body of law.

It is that body of law which this legislation today is seeking to put under United Kingdom control. We have been arguing over this for three and a half years now. The public thought it was a very simple matter and told us to get on with it. We had a fractious and unhelpful Parliament until recently, which did all in its power to thwart the putting into law of the wishes of the United Kingdom electors.

I hope today, after a second general election and after a referendum where the British people made it clear that they wished their sovereignty to rest again with them and be delegated to their Parliament, that the Opposition might have understood that, and might have understood that currently, contrary to what we have been told by the Labour Front Bench, there are a very large number of areas where we cannot do as we please.

Let us start with the money. Yes, we wish to take back control of the money. This Parliament cannot decide to reduce the amount of money it pays to the European Union. They decide that: they determine the bill and they enforce the bill. I hope that Ministers can reassure me that after December, at the end of the implementation period, that will cease and we will only pay when there is an agreement between us and the European Union that we accept for services or joint policies that we wish to undertake as a sovereign nation.

We cannot go on accepting their hand in our pocket, taking our money under their legal powers.

I personally think it is a great pity that we have had such a delay to exit, because I resent the net £1 billion or more a month we are paying in. That will continue, I am afraid, throughout this year. I would like that money for priorities in Wokingham and in the constituencies of other colleagues here in the House of Commons. I find it very odd that so many MPs are so dismissive of the significance of the money, given the quite important role it seemed to play in the referendum campaign and given how colleagues are normally very keen to see increases in expenditure on public services in our country. They do not make the connection that if we carry on paying very large sums to the European Union, it limits our scope to make the increases they would like.

It also means we do not control our own taxes, so our country cannot choose the power to tax any of our sales; that is determined for us. It has to be the VAT tax system. We had to introduce that when we joined the European Union. There are arguments for continuing with some kind of VAT system, but surely we want to decide what rate it is levied at and what items it is levied on. There are quite a number of items that I think it should not be levied on, where I think I would find agreement across the Committee. However, we are not allowed today to remove VAT from green products, for example, because that is against European Union rules. I therefore look forward to our opportunity to shape our own taxation system as soon as we are properly out.

There is then the issue of when we actually have control over our law. What I hope clause 38 will achieve is that if the European Union decides during the implementation period to pass laws that are particularly ☐penal on the United Kingdom or are damaging to our commercial and economic interests, we can use that reassertion of parliamentary sovereignty before the expiry of the implementation period to ensure that that particular law does not apply to the United Kingdom. Otherwise, there is an invitation to anyone of bad will in the European Union to think of schemes that would be disadvantageous to the United Kingdom during the implementation period.

On borders, where again those on the Labour Front Bench seem surprisingly dismissive of a very important question that has been in our debate throughout the referendum and in subsequent general elections, I think there is a general view in the country, which goes well beyond Conservative voters, that there should be a fair system of entry between EU and non-EU people. At the moment, the EU gets preference. I think a lot of people feel that there should be some overall limitation on the numbers of people coming in seeking low-paid work or speculatively seeking work. They favour some kind of a work permit system, which is quite common in many other advanced civilised countries. Because we wish people who join us to be welcomed, because we want them to live to a decent standard and because we accept the commitment to pay them benefits and find them subsidised housing if that is their requirement, surely it should be in our power to decide how many people we welcome in this way, and to decide that that should be related to our capacity to offer them something worth while, and to our economic needs. I give way to my right hon. Friend, who has done so much in this area.

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): May I just pick up on one point? My right hon. Friend talks about, "should we wish to give them benefits". The reality now is that the British Government have to pay benefits even to families of people working over here when their families are not with them. That is roundly disliked across Europe, but those countries all accept there is nothing they can do about it because the European Court of Justice imposed that as part of freedom of movement. It was never debated as part of freedom of movement and it was never supposed that it would happen. It is an end to sovereignty when one can no longer make a decision to change something like that.

John Redwood: My right hon. Friend puts it brilliantly; that is exactly the kind of limitation of our sovereign power, and of our freedom to make decisions that please our electors, that I have been talking about. It is quite important, given the history of this debate.

The speech then went on to make the case for England having a say in these matters....

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## **We still need a stronger recovery**

GDP figures for July showed growth of 6.6%, continuing the recovery that started in May as the lock down began to ease. It still leaves the UK economy 11.7% down from the February peak.

Within the totals manufacturing is now down 8.7% on February. Areas like computers have regained all the losses, and pharmaceuticals are ahead. Trailing at the bottom of the pack comes transport equipment including cars, still down 26.7% on February. I have set out the special factors that are depressing this output in previous blogs.

Even more worrying is the continued poor performance of education and health. In July education output was still 21.9% below February. This will now correct given the successful return of most schools this month. Health output was still down 25.7%. More work needs to be done to get a full range of treatments, operations and surgery appointments to start tackling the big backlog. This should be an overriding priority of government.

Naturally arts, entertainments and catering remain very depressed as social distancing is continuing to take its toll.

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# How to tackle the virus

The government waited until the virus had fallen to very low levels. It then began a gradual relaxation of controls, essential to economic recovery and allowing freedoms back.

Its policy to control the virus switched to testing people to seek to ensure that all those with it or in contact with carriers self isolated, so the rest of us could lead a more normal life. It added to the measures by still not allowing some sectors to go back to work, and insisting on varying measures of social distancing for everyone.

With more testing today more cases of the virus are being identified, and the graph is going up again, as it has already done in places like Spain and France. So far it seems to be spreading more amongst the younger and fitter, so there are still not so many severe cases and deaths. Some say this pattern will continue. Others think it is only a matter of time before more vulnerable people get it and the serious cases rises.

The government and Councils turned to local lockdowns as a supplement to testing and isolating more people. In places where there was a surge in cases normal life was further interrupted to seek to control the spread. Now the government is moving back to national restrictions again as the cases still increase.

Yesterday the PM said he now wanted the NHS to develop a much faster test so people could get the result shortly after taking it. He would want to see a massive increase in the number of tests, perhaps a fifty fold increase on current levels. The idea is we could go to an event but be tested on the way in. Meanwhile current levels in excess of 200,000 tests a day are not backed up by sufficient laboratory capacity to give quick results, and some people are being told to wait several days or travel very long distances to get a test.

It leaves people asking some questions. Why can't the NHS test more people locally? When will the current testing system be fixed? Who is now working on a rapid test and how many would it be possible to make when there is one? How will the public react to a prolonged period of restrictions on freedoms? How much more economic damage will be incurred if the virus does continue to flare up?