The cost of borders will be met

The government rightly told us this week they will work up their plans for trade and border movements if we leave without a Deal. The good news is that much of the work we need to do to improve our borders and upgrade capacity need to be done with an Agreement as well as without one. The UK is currently spending money on a lorry park in Kent for days when French strikes disrupt cross channel freight, and spending on electronic systems for smoother transit. These systems have to be able to handle both tariff free EU trade and trade with non EU countries with tariffs. We need to make sure there is sufficient capacity on the non EU system in case we leave without a trade deal. There is a £400m plus budget to do what is needed.

I found the comment of the Chancellor surprising that he wishes to limit spending on this. It is urgent and clearly a priority, whether we leave with or without a deal. The Prime Minister in Questions yesterday made it clear the government will authorise all necessary spending. The government does need to provide in a timely way for our exit. Every matter we can fix before March 2019 is a matter we do not need to ask for delay on from the rest of the EU. There is no reason why they should grant us lots of delays, and every reason to expect they would want us to carry on with contributions to the EU if we seek to delay. The Treasury needs to understand that saving £12bn a year of net contribution is the biggest saving we have in prospect, and far in excess of any sums needed to have smooth functioning borders after March 2019. Getting a system which works from March 2019 will be cheap at the price.

The Treasury have a dreadful record on Brexit. They backed the losing side. They made a series of forecasts for 2016-17 which were very wrong. They are still exuding pessimism at every available opportunity. The Chancellor needs to get them to cheer up, have new and more realistic and optimistic forecasts, and to find the money we need for a successful and growing economy post Brexit.