

# News story: Britain and Italy stand together to tackle security threats

In meetings with his counterpart Roberta Pinotti, Sir Michael Fallon said Britain was a key ally of Italy and would not be stepping back from European defence and security commitments following the Brexit vote.

They reviewed their partnership within the NATO alliance in particular. After the UK has spearheaded NATO's Very High Readiness Joint Task Force this year, Italy will take on the responsibility in 2018.

The UK and Italy are also working closely to tackle illegal mass migration. The Defence Secretary confirmed the UK is considering providing more training to Libya's Coastguard as part of support to Operation Sophia, which focuses on tackling human smugglers and arms traffickers who endanger the lives of migrants seeking travel to Europe.

Defence Secretary Sir Michael Fallon said:

In leading NATO's high readiness force and tackling illegal migration in the Mediterranean, Britain stands together with Italy to tackle threats to our security.

The Royal Navy has played a key role in training the Libyan Coastguard and we're now looking at extending this training alongside Italy and other European partners.

A small team of specialist Royal Navy personnel successfully trained members of the Coastguard before Christmas in the southern Mediterranean. They were taught search and rescue techniques and how to sail alongside, board and inspect vessels.

The purpose of the training, led by the Italians, is to increase Libya's ability to secure its own borders by increasing their Coastguard's ability to disrupt people smuggling and illegal arms trafficking in and around Libya.

Elsewhere, the UK has also supported NATO counter migration efforts in the Aegean Sea, and HMS Mersey recently returned home following six months supporting this task, contributing to nearly twelve months of Royal Navy presence in the Aegean. She will now undertake maritime security operations around the UK, maintaining the integrity of home waters.

Sir Michael added:

NATO is the cornerstone of our Defence, and the UK remains committed to European security, working with Italy and our European friends to tackle threats.



Defence Secretary Sir Michael Fallon today met with his Italian counterpart Roberta Pinotti. Picture: Ministero della Difesa Italiana – Ufficio Pubblica Informazione.

The Defence Secretary and Defence Minister Pinotti also discussed the development of the UK – Italian Defence industrial relationship, and potential trade options in the future. Sir Michael extended an invitation to host his Italian counterpart in the UK.

Sir Michael also recognised Italy's contribution to peace operations around the world and domestically, including support to disaster relief operations after earthquakes and heavy snowfall.

- HMS Echo continues to spearhead the UK's role in Operation Sophia, and Royal Navy ships have rescued more than 15,000 of the 32,000 lives saved since operations in the Mediterranean began.
  - Echo has already rescued nearly 2,000 people and was involved in a rescue incident as recently as last week, when more than 500 migrants were saved.
  - Royal Navy vessels have destroyed more than 140 smuggler vessels, and in addition to Echo, several other ships have been involved: HMS Enterprise, HMS Bulwark, HMS Diamond, HMS Richmond and RFA Mounts Bay.
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# My contribution to the debate on the European Union (Notification of Withdrawal) Bill, 8 February 2017

**John Redwood:** I find myself in agreement with new clause 2, which makes perfectly sensible statements about what our negotiating aims should be. I have even better news for the Opposition Front-Bench team: it is a statement of the White Paper policy. Of course we wish to maintain a stable, sustainable, profitable and growing economy, which we have done ever since the Brexit vote. Of course we wish to preserve the peace in Northern Ireland, to have excellent trading arrangements with the European Union for goods and services free of tariff, to have lots of co-operative activities with EU member states and institutions in education, research and science and so forth, and to maintain the important rights and legal protections enshrined in European law. As I understand it, the Government have made it crystal clear in the White Paper and in many statements and answers to questions and responses to debates from the Front Bench that all those things are fundamental to the negotiating aims of the Government.

Having excited the Opposition with my agreement, I need to explain why I will not vote for this new clause. I have two main reasons, which I briefly wish to develop. First, I am happy to accept the promise and the statement of our Front-Bench team, and I advise the Opposition to do the same. Secondly, although the words do not explicitly say, "This is what has to be delivered", the fact that it is embedded in legislation implies that all these things must be delivered, and some of them are not in the gift of this Government or this Parliament. I return to the point that the Opposition never seem to grasp: we are all united in the aim of ensuring tariff-free trade, but it will be decided by the other 27 members, not by this Parliament or by Ministers.

**Mr Harper:** Given that the list in new clause 2 exactly matches some of the things in the White Paper, it is pointless. Is it not interesting that the two areas it does not mention are immigration and strengthening the United Kingdom? Those omissions are very significant.

**John Redwood:** That is a very powerful point. I could add others. It is a great pity that it does not mention the opportunity to have a decent fishing policy. It certainly does not talk about having a sensible immigration policy. The Opposition still do not understand that we have to remove the jurisdiction of the European Court of Justice if this Parliament is to be free to have a fishing policy that helps to restore the fishing grounds of Scotland and England, and to have a policy that makes sensible provision for people of skills, talent and interest to come into our country, but that ensures that we can have some limit on the numbers.

**Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP):** I heard the right hon. Gentleman's wish list at the beginning of his speech. Has he grasped the fact

that that wish list is actually encapsulated in two words: single market?

**John Redwood:** No, it clearly is not. The hon. Gentleman has not been listening to what I have been saying. The whole point about the single market is that it does not allow us to have a sensible fishing policy or a sensible borders policy, which are two notable omissions from the list, which, fortunately, were not absent from the White Paper or from the Government's thinking.

**Joanna Cherry (Edinburgh South West) (SNP):** Perhaps the right hon. Gentleman would like to reconsider what he just said. He said the whole point about the single market is that it does not allow us to have a sensible fishing policy, but Norway is in the single market in the European economic area, but not in the common fisheries policy. It controls its own fisheries policy, which he would know if he had read this excellent document, "Scotland's Place in Europe".

**John Redwood:** Well, why have we not had a sensible fishing policy for the past 40 years? It is because we have been a full member of the EU and its single market. What is agreed across this House—even by some members of the Scottish National party—is that we want maximum tariff-free, barrier-free access to the internal market. However, what is not on offer from the other 27 members is for us to stay in the single market, but not to comply with all the other things with which we have to comply as a member of the EU. There is no separate thing called the single market; it is a series of laws that go over all sorts of boundaries and barriers. If we withdraw from the EU, we withdraw from the single market.

**Alex Salmond (Gordon) (SNP):** The right hon. Gentleman's example was of fishing policy, so does he agree as a point of fact that Norway is in the single market but pursues its own independent fishing policy? Yes or no?

**John Redwood:** I agree that Norway decided to sacrifice control of her borders to get certain other things from a different kind of relationship with the EU, but we do not wish to join the EEA because we do not wish to sacrifice control over our borders. That is straightforward.

**Helen Goodman (Bishop Auckland) (Lab):** The right hon. Gentleman is absolutely wrong. Norway was part of the Nordic free movement area with Sweden, Finland and Denmark way before the European Union was even invented.

**John Redwood:** Norway is now part of a freedom of movement area far bigger than that, and that was part of its deal. It also has to pay in a lot of money that British voters clearly do not wish to pay, so why would we want to do that?

**Mr Steve Baker (Wycombe) (Con):** Does my right hon. Friend agree that if Opposition Members are serious about the flourishing of our economy, 80% of which is services, they should accept that we need to be able to do trade deals on services, which means that we have to leave the EEA so that we can negotiate about regulation?

**John Redwood:** That is quite right, and they also ignore the whole of the rest of the world. It so happens that we have a profitable, balanced trade with the rest of the world. We are often in surplus with the rest of the world overall and we are in massive deficit in goods with the EU alone. There is much more scope for growth in our trade with the rest of the world than there is with the EU, partly because the rest of the world is growing much faster overall than the EU and partly because we have the chance to have a much bigger proportion of the market there than we have, whereas we obviously have quite an advanced trade with the EU that is probably in decline because of the obvious economic problems in the euro area.

**Sammy Wilson (East Antrim) (DUP):** Does the right hon. Gentleman note that although the shadow Minister made no mention of the importance of controlling immigration, his new clause 2 mentions “preserving peace in Northern Ireland”, although he never mentioned one word of it? Does the right hon. Gentleman accept that the shadow Minister perhaps understands that Brexit has no implications for peace in Northern Ireland? It is not a cause of increased terrorism. Indeed, the terrorists never fought to stay in the EU; they fought to get out of Britain.

**John Redwood:** The hon. Gentleman has made his own point, and we all wish Northern Ireland well.

**Mr Kenneth Clarke (Rushcliffe) (Con):** First, let me congratulate my right hon. Friend on recognising that there is nothing in new clause 2 that is remotely objectionable to either leavers or remainers as an objective for the country in the forthcoming negotiations. If tariff-free access to the single market is desirable, does he accept that access to any market is not possible without accepting obedience of that market’s regulations? Otherwise, there are regulatory barriers. We need some sort of dispute procedure. If we start to reject the European Court of Justice and say that all the regulations must be British and that we are free to alter them when we feel like it, we are not pursuing the objectives in new clause 2 with which my right hon. Friend expresses complete agreement.

**John Redwood:** Of course there is a dispute resolution procedure when we enter a free trade agreement or any other trade arrangement. There is a very clear one in the WTO. We will register the best deal we can get with the EU under our WTO membership and it will be governed by normal WTO resolution procedures, with which we have no problem. The problem with the ECJ is that it presumes to strike down the wishes of the British people and good statute law made by this House of Commons on a wide range of issues, which means that we are no longer sovereign all the time we are in it.

**Mr Bailey:** The right hon. Gentleman argues that our membership of the EU inhibits our ability to trade with the expanding economies of the rest of the world. If so, will he explain why Germany exports nearly four times as much as we do to China and exceeds our exports to both India and Brazil, the other fast-growing economies, and why France also exports more to China and Brazil than we do? What is it that they do in the EU that we will do when we come out?

**John Redwood:** It is quite obvious that Germany will export more at the early stages of development in an emerging market economy, because it tends to export capital equipment of the kind that is needed to industrialise, which is what China bought in the last decade. Now that China is a much richer country, she is going to have a massive expansion of services and that is where we have a strong relative advantage in that if we have the right kind of arrangement with China we will accelerate the growth of our exports, which China will now want, more rapidly. The hon. Gentleman must understand that the EU imposes massive and, I think, dangerous barriers against the emerging market world for their agricultural produce. The kind of deals we can offer to an emerging market country, saying that we will buy their much cheaper food by taking the tariff barriers off their food products in return for much better access to their service and industrial goods markets where we have products that they might like to buy—[Interruption.] I hear my right hon. Friend the Member for Wantage (Mr Vaizey) express a worry about British farmers, and British farmers, would, of course, have a subsidy regime based on environmental factors, in the main, which we would want to continue.

**Jonathan Edwards (Carmarthen East and Dinefwr) (PC):** What impact does the right hon. Gentleman think that that would have on Welsh agriculture and the rural economy in Wales?

John Redwood: I just explained that it should boost it. I am sure that more market opportunities will open up for Welsh farmers, but we will also debate in this House how to have a proper support regime. I hope that it will be a support regime that not only rewards environmental objectives but is friendly to promoting the greater efficiencies that can come from more farm mechanisation and enlargement, which will be an important part of our journey to try to eliminate some of the massive deficit we run in food with the rest of the EU while being more decent to the emerging world—the poor countries of the world to which we deliberately deny access to our markets.

**Angela Smith (Penistone and Stocksbridge) (Lab):** May I take it from what the right hon. Gentleman has just said that in any free trade deal with New Zealand he will continue to ensure that sheep farmers in this country are not sacrificed in the interests of getting good access to the New Zealand market for our financial services?

**John Redwood:** I am sure that that would be a very appropriate part of the discussions our country holds with New Zealand and Australia. I broadly take the view—I thought Labour was now of this view—that getting rid of tariffs was a good idea. Labour has spent all of the past six months saying how we must not have tariffs on our trade with Europe, but now I discover it wants tariffs on trade with everywhere else in the world. It is arguing a large contradiction.

**Dr Murrison;** My right hon. Friend is making a very powerful case. Does he not agree that it is truly remarkable that Germany makes three times as much money on coffee as developing countries because of tariffs and that we are noticing a problem with out-of-season fruit and vegetables in our supermarkets in part because of the pressures applied to producers in north Africa? It is no good colleagues on the Opposition Benches having a go at

those who are concerned about international development assistance if they are prepared to tolerate such tariff barriers, which act against the interests of developing countries.

**John Redwood:** I think that we have teased out something very important in this debate. The Opposition want no barriers against ferocious competition from agriculture on the continent, which has undoubtedly damaged an awful lot of Welsh, Scottish and English farms, but they want maximum tariff barriers to trade with the rest of the world so that we still have to buy dear food. That does not seem to be an appealing package.

**Kit Malthouse:** My right hon. Friend might be interested to know that just last week I visited Randall Parker Foods in my constituency, a company that slaughters and processes several hundred thousand Welsh lambs every year and that is salivating at the chance of opening up the US market, in particular, where Welsh lamb is under-represented and where there is huge potential for us to export more than we do.

**John Redwood:** Like my hon. Friend, I think that there are some great English, Welsh, Scottish and Northern Irish agricultural products, and that with the right tariff system with the rest of the world we could do considerably better with our quality products.

**Sir William Cash (Stone) (Con):** I congratulate my right hon. Friend on his great speech, but I want to ask him one question that goes to the merits of the new clause. It says that the Prime Minister "shall give an undertaking", which is clearly a mandatory requirement under statute, and which itself calls for judicial review if somebody decides to do that. However, in all my time in this place, I have never seen a clause proposing the preserving of peace in Northern Ireland as a matter of public interest and of judicial review. It is unbelievably unworkable and completely contrary to all the assumptions that one might rely on for a decent provision.

**John Redwood:** I am grateful to my hon. Friend for drawing me back to my central point. He kindly said that I have made a good speech, but I have just responded to everybody else making their own speeches and riding their own hobby horses. I hope they have enjoyed giving those hobby horses a good ride.

To summarise my brief case, the aims of the new clause are fine. They happen to be agreed by the Government. However, it is disappointing that the Opposition have left out some important aims that matter to the British people: taking back control of our borders and laws, and dealing with the problem of the Court immediately spring to mind, but there are many others. They leave out, as they always do, the huge opportunities to have so many policies in areas such as fishing and farming that would be better for the industry and for consumers. They have now revealed a fundamental contradiction in wanting completely tariff-free trade in Europe, but massive tariff barriers everywhere else, and do not really seem to think through the logic.

My conclusion is that there is nothing wrong with the aims. We need the extra aims that the Government have rightly spelt out. It would be quite silly to

incorporate negotiating aims in legislation. I believe in the Government's good faith. We are mercifully united in wanting tariff-free, barrier-free trade with the rest of Europe. It is not in the gift of this House, let alone the gift of Ministers, to deliver that, but if people on the continent are sensible they will want that because they get a lot more out of this trade than we do. They must understand that the most-favoured nation tariffs are low or non-existent on the things we sell to them, but can be quite penal on the things they have been particularly successful at selling to us. The aims are a great idea, but it is a silly idea to put them into law.

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## Labour demands a review of Government ending of Dubs Amendment scheme – Abbott

**Diane**

**Abbott MP,**

**Labour's Shadow Home Secretary,** speaking

in response to the Home Secretary's defence of the Government decision to end the Dubs scheme prematurely, said:

"Labour

cannot accept this decision. This seems to breach the spirit of the law passed

with cross-party support. Accepting 350 unaccompanied child refugees is far short of the expected 3,000.

"There

will no doubt be legal challenges to this decision. This government is not above the law.

"In

any event, Labour commits to meeting the obligations of the Dubs Amendment. We

will restore the scheme and accept some of the most vulnerable children in the world."

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## My contribution to the debate on the European Union (Notification of Withdrawal) Bill, 7 February 2017

I agree fully with the right hon. Member for Gordon (Alex Salmond) that we should not wish to do anything that weakens or undermines the British bargaining position. All the efforts of this House, as we try to knit together remain and leave voters, should be designed to maximise our leverage, as a newly independent nation, in securing the best possible future relationship with our partners in the European Union. That is why I find myself in disagreement with many of the well-intentioned amendments before us today. I think they are all, perhaps inadvertently, trying to undermine or damage the UK's negotiation—[Interruption.] One of my hon. Friends says, "Nonsense," but let me explain why it would be dangerous to adopt the amendments.

We are being invited to believe that if the House of Commons decided that it did not like the deal the Government negotiated for our future relationship with the EU and voted it down, the rest of the EU would immediately say sorry and offer us a better deal. I just do not think that that is practical politics. I do not understand how Members believe that that is going to happen. What could happen, however, is that those in the rest of the EU who want to keep the UK and our contributions in the EU might think that it would be a rather good idea to offer a very poor deal to try to tempt Parliament into voting the deal down, meaning that there would then be no deal at all. That might suit their particular agenda.

**Robert Neill:** Why is my right hon. Friend so worried about the House of Commons having a vote? His analysis might be right, but is it not right and proper that we have a choice, informed or otherwise? What is wrong with that? Why is he scared?

**John Redwood:** I support the Government offering this House a vote. They cannot deny the House a vote—if the House wants to vote, the House will vote—but it is very important that those who want to go further and press the Government even more should understand that this approach could be deeply damaging to the United Kingdom's negotiating position. It is based on a completely unreal view of how multinational negotiations go when a country is leaving the European Union. I find it very disappointing that passionate advocates of the European Union in this House, who have many fine contacts and networks across our continent, as well as access to the counsel and the wisdom of our European partners, give no explanation in these debates of the attitudes of the other member states, the weaknesses of their negotiation position and what their aims might be. If they did so, they could better inform the Government's position, meaning that we could do better for them and for us.

**Mr Clegg:** The right hon. Gentleman is, as ever, making an articulate case

from his point of view about the dangers of a vote at the end of the process. Can he explain why, on 20 November 2012, in a very interesting blogpost entitled, "The double referendum on the EU", he advocated a second referendum with the following question:

"Do you want to accept the new negotiated relationship with the EU or not?"  
How on earth and why on earth has he changed his mind since then?

**John Redwood:** I do not disagree with that at all. I am very happy for the House to have a vote on whether the new deal is worth accepting, but that would be in the context of leaving the EU. I agree with my right hon. Friend the Prime Minister that no deal is better than a bad deal. If the best the Government can do is a bad deal, I might well want to vote against that deal in favour of leaving without a deal. That is exactly the choice that Government Ministers are offering this House. It is a realistic choice and a democratic choice. It is no choice to pretend that the House can re-run the referendum in this cockpit and vote to stay in the EU. We will have sent the article 50 letter. The public have voted to leave. If this House then votes to stay in, what significance would that have and why should the other member states suddenly turn around and agree?

**Geraint Davies:** If the right hon. Gentleman wants to maximise negotiating leverage, would it not be better to delay article 50 until after the elections of the new German Government in October and the new French Government in May? We will have only two years, so that would give us the power of having more time to negotiate while we are member, instead of giving that up. If we were to offer a referendum to the people before we trigger article 50, European countries might think that we could stay in, so they might come to the table before article 50 was triggered.

**John Redwood:** I do not think we should have two referendums on whether or not we leave. The issue is our future relationship. The House is perfectly capable of dealing with whether we accept the future relationship that the Government negotiate.

The point that Opposition Members and their amendments miss is that once we send the article 50 letter, we have notified our intention to leave. If there is no agreement after two years, we are out of the European Union. The right hon. Member for Gordon (Alex Salmond) rightly asked whether the notification is irrevocable, but he did not give his own answer to that. I found it very disappointing that the SNP, which takes such a strong interest in these proceedings, has no party view on whether it is irrevocable. Personally, I accept the testimony of both the Attorney General and the noble Lord who was the advocate for the remain side in the Supreme Court case that it is irrevocable. The House has to make its decision in light of that.

As far as I am concerned, this is irrevocable for another democratic reason: the public were told they were making the decision about whether we stayed in or left the EU. Some 52% of the public, if not the others, expect this House to deliver their wishes. That was what the Minister told this House when we passed the European Referendum Act 2015. Every voter in the country was told by a leaflet sent at our expense by the Government: "You, the people, are

making the decision". Rightly, this House, when under the Supreme Court's guidance it was given the opportunity to have a specific vote on whether to send the letter to leave the European Union, voted to do so by a majority of 384, with just the SNP and a few others in disagreement. It fully understood that the British people had taken the decision and fully understood that it has to do their bidding.

**Paul Farrelly:** Is the right hon. Gentleman not assuming that, as we walk into the room, all the people we are negotiating with are our adversaries? Is that perhaps not the wrong standpoint to take? Is it not the case that a meaningful vote on the substance of any deal might equally focus the Government's mind on what they can sell to this House to unite it, as well as the people we represent, in a very divided country?

**John Redwood:** The hon. Gentleman has won that argument. We will have a vote in this House on whether we accept the deal and I hope that that works out well. My criticism is not of the Government's decision to make that offer. I think it is was a very good offer to make in the circumstances. My criticism was and is of those Members who do not understand that constantly seeking to undermine and expose alleged weaknesses damages the United Kingdom's case. It is not at all helpful. As many of them have talent and expertise through their many links with the EU, it would be helpful if they did rather more talking about how we can meet the reasonable objectives of the EU and deal with the unreasonable objectives held by some in the Commission and a number of member states.

**Alex Salmond:** Despite the right hon. Gentleman's certainty about irrevocability, the person who drafted the clause, Lord Kerr, thinks that notification is revocable. The right hon. and learned Member for Beaconsfield (Mr Grieve), the former Attorney General, who is sitting to the right hon. Gentleman's right, is not absolutely sure but does not agree with him, and the Brexit Minister does not know. Does this not remind us of a certain question in European history, where of those who knew the answer one was mad, one was dead and the other had forgotten? Is this the basis on which he wants to take us over the cliff edge?

**John Redwood:** I have attempted to give the House a clear definition and to show that there is good legal precedent for my argument, based on senior lawyers and the Supreme Court. I note that the SNP does not have a clue and does not want to specify whether the notification is irrevocable.

**Joanna Cherry:** I remind the right hon. Gentleman that the Supreme Court did not rule on the matter.

**John Redwood:** It clearly did rule on the matter. It found against the Government because it deemed article 50 to be irrevocable. It would not have found against the Government if it had thought it revocable.

**Mr Rees-Mogg:** I am grateful to my right hon. Friend for giving way on this supreme red herring. It does not matter whether the ECJ thinks article 50 is irrevocable; the British people have determined that it is an irrevocable decision.

**John Redwood:** I thank my hon. Friend for that helpful intervention, although there is this legal wrangle. It is fascinating how those who wish to resist, delay or cancel our departure from the EU are now flipping their legal arguments from three or four weeks ago, when they were quite clear that this was irrevocable.

**Anna Soubry:** My right hon. Friend is a man of courage with a long, fine history of supporting the sovereignty of this place. He says that the Government will give us a vote in the event of a deal, but why does he not agree with those of us, on both sides of the House, who want the same vote, so that we ensure the sovereignty of this place, in the event that the Government cannot strike a deal, despite their finest efforts?

**John Redwood:** That is exactly the vote we had on Second Reading. If Members are at all worried about leaving the EU, they should clearly not have voted for the Bill on Second Reading. That is the point of the debate about irrevocability.

**Tim Farron (Westmorland and Lonsdale) (LD):** May I take the right hon. Gentleman back to his comments on his blogpost in November 2012, when he argued in favour of a referendum at the beginning and at the end of the process? He has just said that he does not think that there should be a referendum on whether we leave the EU—we can disagree on that—but he did not exclude a referendum on the terms of the deal. Will he clarify whether he thinks that the people should have the final say on the terms of the deal?

**John Redwood:** No, not on this occasion, because 2012 was 2012, and we were trying all sorts of things to get us out of the EU—we found one that worked, and I am grateful for that. However, now is now, and we have to speak to the current conditions and the state of the argument.

**Mr Harper:** On a referendum, it depends what the options are. The hon. Member for Westmorland and Lonsdale (Tim Farron) is clear that his two choices are that we accept the deal or we stay in the EU. I was on the remain side of the argument, but the question on the ballot paper was unconditional: leave or remain. I accept that my side lost and we are leaving. He wants to rerun the referendum all over again, but that is not acceptable.

**John Redwood:** I agree with that.

People are trying to make these negotiations far more complicated and longwinded than they need be. Because of the Prime Minister's admirable clarity in her 12 points, we do not need to negotiate borders, money, taking back control, sorting out our own laws, getting rid of ECJ jurisdiction and so on. Those are matters of Government policy mandated by the British people—they are things we will just do. We will be negotiating just two things. First, will we have a bill to pay when we leave? My answer is simply: no, of course not. There is no legal power in the treaties to charge Britain any bill, and there is no legal power for any Minister to make an ex gratia payment to the EU over and above the legal payments in our contributions up to the date of our exit.

Secondly, the Government need, primarily, to sort out our future trading relationship with the EU. We will make the generous offer of carrying on as we are at the moment and registering it as a free trade agreement. If the EU does not like that, "most favoured nation" terms under WTO rules will be fine. That is how we trade with the rest of the world—very successfully and at a profit.

Members should relax and understand that things can be much easier. There will be no economic damage. The Government have taken an admirable position and made wonderful concessions to the other side, so I hope that those on the other side will accept them gratefully and gracefully, in the knowledge that they have had an impact on this debate.

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## 41.2 pct of Chinese hold urban hukou in 2016

China's registered permanent urban residents rose to 41.2 percent of the total population in 2016, after easing of "hukou" (household registration) policy, the Ministry of Public Security announced Thursday.

In 2015, only 39.9 percent of the population held urban status and the current urbanization drive is aiming for 45 percent by 2020.

At a video conference held on Thursday, the ministry of public security called for a more reasonable points system and for registration in most cities for students and migrant workers to become easier still.

The government is gradually bringing the unregistered population into the hukou system, including orphans, second children born illegally during the one-child policy and the homeless.

Last year, more than 1.43 million people formerly without hukou were registered, the ministry said.

Various benefits such as health care and education are based on hukou, and are supposed to be in line with long-term places of work and residence.