

In the customs doldrums – again

The House of Commons keeps returning to the issue of customs. Yesterday the Opposition decided to spend virtually the whole day once again rehearsing the same old arguments.

Labour presented its latest version of its policy. Apparently they want to be in a customs union with the EU but not in The Customs Union the EU already has. They want a “strong single market deal based on shared regulations and shared institutions” which sounds much like staying in The single market, but assume “freedom of movement will end”. Gone are all the fine words of the Labour Manifesto setting out how the UK will have a distinctive independent trade policy after Brexit. It is difficult to see how this latest view would ever be negotiable with an Institution which has always said belonging to the customs union and single market comes with the four freedoms attached, including freedom of movement. It also requires payment of budget contributions and acceptance of the European Court’s supremacy. It also led to a massive Labour rebellion on one of the votes.

Why has Labour changed its stance from the General Election, which was to back Brexit and set out on an independent path? We were told yesterday again that they are worried that manufacturers running just in time systems in the UK will not be able to import parts from the continent if we leave. How bizarre! UK manufacturers runs complex supply chains with just in time deliveries at the moment using parts from outside the EU, and that works fine! The continental suppliers would have every incentive to carry on supplying in time, as their jobs and income depend on it. Why do Remain MPs now pretend we did not know we were voting to leave the single market and customs union, when both official campaigns in the referendum told us just that and actually agreed on this point!

Meanwhile the government seeks to negotiate smooth border arrangements and sensible customs arrangements. It would be a good idea for the UK to offer tariff free trade and see if the EU does want that or not. Some wrongly say they have not yet invented the computer systems to handle customs charges without stopping trucks at borders and working it out on a calculator there and then. They need to go and visit a large trucking firm and see that there are already smooth ways of paying customs dues on line with electronic filings which we and the rest of the EU use for the non EU trade which does attract customs dues.