

# My contribution to the European Union (Withdrawal Agreement) Bill, 10 January 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.

Turning to the Scottish nationalists, I agree with what the Scottish nationalist spokeswoman, the hon. Member for Central Ayrshire (Dr Whitford),

said: we only want volunteers in our Union. We are democrats. We believe that the Union works, but that if a significant portion of the Union develops a feeling that it is not working for them, we need to test that. I was a strong supporter of accepting the Scottish National party idea, just a few years ago, that there should be a referendum. That referendum had the full support of the United Kingdom Parliament, which is the sovereign authority for these purposes on Union matters. I also fully agreed with the then SNP leadership when I talked to them about it—I think our formal exchanges were recorded in Hansard. They said that they agreed with me that whichever side lost should accept the result, and that it would be a “once in a generation” event, not a regular event that happened every five years until one side got the answer that it liked. I hope that the SNP will reflect on that. We are democrats and we want volunteers in our Union, but we cannot pull it up and examine it every two or three years through a referendum, which is very divisive, expensive and damaging to confidence and economic progress. We should live with the result.

**Dr Philippa Whitford (Central Ayrshire) (SNP):** Does the right hon. Gentleman accept that we did respect the result? We have been here for four and a half years. We would not have been if we did not respect it; we would have been independent, and we would not be being dragged over the EU cliff at the end of this month. He should accept that the claim of right that Scotland has had for 331 years did not disappear in 2014, and that his party has changed the entire fabric of the United Kingdom. It cannot continue to treat Scotland’s views with disrespect.

**The Second Deputy Chairman of Ways and Means (Sir Gary Streeter):** Just before the right hon. Gentleman continues, we do not want to be dragged into a debate on Scottish independence on clause 38. Let us continue to debate these amendments and the clause.

**John Redwood:** Good advice, but I am trying to address the SNP point related to its proposals on how we treat devolved government fairly and whether we are listening properly to Scotland. I think that we are very much listening to Scotland, but we have to understand that the matter of the Union is a responsibility of the Union Parliament, and that the matter of our membership of the European Union is a responsibility of the European Parliament. It is the hon. Lady’s misfortune to have been on the wrong side in two referendums, but there has been a deeply democratic process in both cases, as to whether Scotland stays in the Union and whether we stay in the EU.

I urge my right hon. and hon. Friends on the Front Bench to remember that there is a fourth country in our Union: the country of England. We are very reasonable people, and we do not go on and on about English issues. However, when we get to this debate over how the different parts of the United Kingdom are consulted and respond to the issue of how we leave the EU, England too needs a voice within the Government and needs to be seen as an important part of the process.

The overwhelming vote for Brexit was an English vote because in numbers, England is a very large part of the Union. That is important, just as the Scottish and Northern Irish view is. I hope that the Government will look at

this machinery of government issue and make sure that there is, within Government, a clear and definitive English voice. In due course, I think that we need to discuss whether this Parliament should have an English Grand Committee that can not only veto proposals that England does not like, but make proposals that England wants, because that would do something to correct the obvious imbalances that make this a particularly difficult matter to settle, when the largest part of the Union, with the overwhelming Brexit vote, is not formally represented in the discussions.