

My intervention during the debate on the Immigration and Social Security Co-ordination (EU Withdrawal) Bill, 19 October 2020

Sir John Redwood MP (Wokingham) (Con): Does the Minister accept that paying people from the local labour force better, and paying for their training, is a much cheaper solution than building lots of houses to invite migrants in, and a much more popular one?

The Parliamentary Under-Secretary of State for the Home Department (Mr Kevin Foster): My right hon. Friend points out that in a time when we have large numbers of people affected by the current economic situation, we need to focus on our own UK-based workforce when it comes to filling needs.

My question during the Statement on EU Exit: Negotiations and the Joint Committee, 19 October 2020

Sir John Redwood MP (Wokingham) (Con): Has my right hon. Friend seen how much popular and excellent quality fresh food there is in our supermarkets with the Union flag on the packaging? Will he confirm that if the EU insists on high tariffs on food trade, where it sells us massively more than we sell it, that would be a huge opportunity for our farmers to grow and rear more for the domestic market and get back the huge amounts of market share stolen from them under the common agricultural policy?

Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office (Mr Michael Gove): My right hon. Friend makes three very important points. The first thing is that UK producers are doing a fantastic job in increasing production in a sustainable way. Championing the quality of UK produce is something that we should all do and recognise, whether it is Orkney cheddar or Welsh lamb, that the UK flag is a symbol that connects quality not just to our consumers but worldwide.

The second point that he makes, which is absolutely right, is that the common agricultural policy has been harmful, and our escape from it will ensure both that our farmers can prosper and that our environment can improve. His third point is that we should be confident not just that we can sell more excellent produce here in the UK but that, as we emerge into the world as a global

free-trading nation, new opportunities to sell our excellent produce are available to our farmers, and he is absolutely right to be optimistic.

[More home grown and reared food please](#)

Yesterday in the Commons I raised again the issue of more home grown produce. The fresh food in supermarkets packaged with the UK flag is popular and usually of excellent quality. Many of us want to keep the food miles down, keep the standards up, and support UK agriculture.

I saw a film recently which said that tomatoes grown in modern greenhouses in carefully controlled environments can yield up to forty times the weight of product that a typical outdoors plant can achieve. It can also be much easier to pick. Modern methods of growing strawberries under polythene or glass can prolong the UK growing season, produce great fruit and simplify picking.

The same film reminded viewer of the how many orchards had to be grubbed up in the 1970s as a tidal wave of tariff free continental imports came into our market and offered cheaper product than the domestic fruit. Under the Common Agricultural Policy and the tariff free EU food regime we have seen a decline of around one fifth in domestically produced temperate food, whilst we have had at the same time to protect the EU growers from cheaper competition from outside the EU with tariffs against the most efficient world producers.

If the EU persists in denying the UK a Free Trade Agreement with no tariffs by insisting on there being a high price for such an obvious thing to grant, then there will be tariffs against EU food imports. We will presumably choose to lower our food tariffs compared to the high EU ones. As these tariffs come to apply to the EU it will give our own farmers a huge incentive to increase their capacity to supply us with much more home grown food, and to cut the food miles as they do so. It would be good to get back to the market share we had in 1970, and to think about restoring those orchards that were ripped out.

[Why the single market damaged the UK economy](#)

As a young man one of my first votes was in the original referendum on whether to stay in the EEC, misleadingly called the Common Market during the campaign. I was against the language in the Rome Treaty that warned us this

was much more than a Common Market in the making, and disliked the Labour government's lies about the nature and long term aims of the body. I also was asked to produce a decade forecast of the outlook for the UK if we stayed in by my employer.

As I drafted it five problems became clear. The first was the burden of our financial contributions was too high, and these would produce a nasty dent in our balance of payments as we sent that money away and it was converted into foreign currencies. I did not know or forecast Margaret Thatcher would become PM and negotiate a better deal, which limited the damage a bit – or that I would help her.

The second was the UK's industry which had management and Union issues, some old capital stock and poor nationalised industries like steel and shipbuilding that were not cost effective. This meant it was going to have to face the full frontal assault of German and French competition with the full removal of tariffs before it was ready to withstand those pressures. My forecasts rightly assumed we would lose a lot of capacity in areas like steel, cars, foundries, ship building and textiles. Our car output halved in the first decade of membership.

The third was in the areas of services where the UK had a good competitive advantage the considerable barriers to trade were going to remain in place. As a result I reported a major and long lasting deterioration in our balance of payments as imports of foreign goods surged, exports of services were still limited and as we had to make new large payments away.

The fourth was the dreadful deal on fish, bound to damage our industry substantially.

The fifth was the complete removal of tariffs from EEC food, the imposition of tariffs on Commonwealth food, and the hugely damaging impact the EEC would have on areas like fruit and market garden produce.

Later policies as the EU emerged and increased its wide ranging legislative grip also drove us into importing everything from defence equipment to electricity. It was a great scheme for continental exporters. In those days running a balance of payments deficit required stringent credit and money control which slowed growth.

We voted to leave the single market and customs union of the EU

EU representatives still seem to think the UK wants special access to the single market and is desperate to stay in their trading arrangements. They may be fuelled in this mistaken belief by sections of the UK establishment

who seem to think the single market is a good construct that we would be wrong to leave.

One of the few things Leave and Remain agreed about in the referendum was leaving the EU meant leaving the single market and customs union. The winners thought this a good thing and the losers thought it was some kind of threat hanging over us. I became a strong critic of the single market when I was the UK's Single market Minister. I was given the task of supervising the UK's response to and involvement in the so called "completion of the single market" in the run up to 1992 when they declared it finished.

The endless Council meetings and negotiations were to complete 282 pieces of law making to regulate all sorts of things people trade. Many of these added little or nothing to trade, and many entrenched in law the preferred ways of making and doing things of large continental companies. They stated "1992 will be a pivotal year in the development of the European Community. It marks the final year of the enterprise to complete the single market" and the year when they went on to economic and monetary union.

I lost the main argument within the UK government before when I was the PM's adviser. I pointed out you do not need a whole lot of common laws to have a free market. The EU already had established the key proposition, that any good of merchandisable quality in one country could be offered freely for sale in another. This was sufficient in itself. It meant companies could get the benefits of scale and trade their goods freely across the whole EU without tariffs and non tariff barriers. Consumers could decide for themselves if they liked the product and the supporting standards of the sponsor country when making a purchase.

The EU was determined to use the excuse of a single market to greatly expand its legislative control over member states. They demanded the end of the veto over all single market legislation to expedite putting through regulations that were against the interests or traditions of individual countries. I advised the government to only surrender the veto for the 282 specified pieces of legislation, and for it to revert thereafter. The government was not even prepared to protect us to that extent, and the UK swallowed the idea of majority voting for huge swathes of legislation. By the time I became Single market Minister I had to construct blocking minorities of countries every time the Commission came up with another damaging or needless proposal.

As I feared the EU had no intention of limiting itself to 282 laws for its single market, but went on year after year long after the so called completion of the single market pushing out many new laws to exert control over many new areas all in the name of the single market. The single market was much better at ensuring tariff and barrier free access to the UK for continental manufacturers and farmers than it was at securing access for UK service providers to the continent.