

Improving delivery times

I am delighted so many people have suddenly become interested in the issue of speedy delivery of raw materials, components and finished goods. Some are so interested they think it is the topic which should determine our approach to Brexit. I want to ask the question what actions could we take to cut down delivery times more if people think this is such an issue.

Lets take a complex supply chain. The company concerned needs imported components from India and from Slovakia to meet an automated manufacturing system. The typical delivery time from Slovakia by road transport is four days. The typical delivery time by sea transport from Mumbai is 20 days. Immediately when we look at this issue we see that the short time it takes to get through the port of Dover from Slovakia or through the port of Southampton or London Gateway from India is tiny compared to the lengthy time it takes by sea or road. The sea journey is probably a bit more predictable than the road journey, as it is less open to congestion and delays. The sea journey does also need two road transport journeys to get to and from the ports involved, whilst the road journey from the continent needs a short sea crossing to tackle the English Channel.

The investment needed to cut journey times and unreliability includes investment in the road networks involved. I do not know all the details of the road congestion from Slovakia on the continent, but can vouch for the delays and unreliability the shortage of capacity from Dover or from Southampton to a factory in say Birmingham can cause. This would seem to be a more sensible worry than the idea that after Brexit lorries will face unacceptable delays at our ports.

We need to remember that the bulk of our trade with the EU is imports, not exports. That means the crucial port movements occur in UK controlled ports. It is the UK authorities who will have the task of checking standards and tax liabilities, as they do today whilst we are still in the EU. We have no reason to set up a complex system at the port which will cause more delay or so called friction. We can continue to use Authorised Economic Operators. electronic manifests and on line assessment, tax collection and clearance of most cargoes. Trade within the EU today requires complex calculations of VAT, other transaction taxes, quality and safety checking and other compliance. Most of this occurs away from the port. We have no need to make it too difficult when we are out of the EU.

The EU offers some helpful guidance

Whilst the EU carried on with colourful and misleading language about parts of Brexit, its document issued today also showed it is beginning to want to

look after the business interest on the continent and help with sensible business continuity. In particular it confirmed that current contracts which span the exit date will of course remain valid with parties fulfilling them. It thinks the UK should be part of the Common Transit Convention to speed transport crossing borders. It gets close to saying the UK out of the EU will of course have high standards of data handling so there will still be close arrangements for data transfer.

One of the welcome features of the short document was the repeated statements that much of what needs to be done to keep trade flowing is down to individual companies and member states, who are likely to want it to work well. The EU comes close to suggesting member states roll over certain permissions where the UK will still meet the same acceptable standards after exit.

How I represent Remain and Leave voters

I have had a couple of emails telling me I should support staying in the EU or so watering down Brexit that we might as well stay in the EU because a majority of people in Wokingham voted Remain. Let me explain again why I do not agree.

The first thing to understand is my constituency of Wokingham includes wards in West Berkshire, whilst many of the wards in Wokingham Borough are in 3 neighbouring constituencies. We only know the referendum vote for the Borough, not for my constituency. I accept from the canvassing I did in the referendum that around half of my electors voted remain, and I have pledged to take up their worries and make sure their concerns are taken into account as we leave.

The referendum was the one time when an MP had just one voice and one vote like all his or her constituents. Clearly an MP could not be on both sides, and did not have to try to predict where the majority would be and vote with them. Once the referendum was over an MP of course has to do his or her best to represent everyone in the constituency, which is bound to include people of both views.

I support Leave as an MP on the basis of a double mandate to do so from the referendum and a General election. . The government and Parliament made it clear that the referendum gave the decision to UK voters over whether to leave or stay. I feel bound by the decision.

We held a General election in 2017. I made it very clear in my personal Manifesto that I would support and vote for Brexit in the Commons, both because it is the wish UK voters, and because I think it is a good decision.

The Conservative party also promised to implement the referendum decision, and I campaigned as a Conservative candidate. Again I feel bound to seek to honour my promises about this important matter.

The results of the General Election in Wokingham were particularly interesting. Not only did I receive a majority of the votes cast, but Labour leapt ahead of the Liberal Democrats. The Liberal Democrat candidate and his party made clear they did want to water down or overturn Brexit, whilst the Labour Manifesto like the Conservative one said they would implement Brexit. I conclude from the General Election that Wokingham voters either want Brexit or believe they should go along with it. They had every opportunity to signal they wanted to stop Brexit by voting Lib Dem, but the overwhelming majority decided not to do so.

[The WTO global trading model and Mr Barnier – time for the media to mend its language](#)

There is a lot of bad and misleading language used about Brexit. Apparently Mr Barnier is about to embark on his own version of Project Fear, claiming the so called “No Deal” option will be difficult. The UK government will make sure all is ready to depart without a Withdrawal Agreement if necessary. Why would the UK want to sign such a one sided Withdrawal Agreement anyway? What is Mr Barnier offering to make it worth our while?

Let me attempt to adjust the language to be more balanced and descriptive.

“No Deal” is the WTO global trading option. Far from being without trading rules and without a working system for importing and exporting, the UK would rely on the WTO system for its EU trade just as it relies on that system for the bulk of its trade today which is conducted with non EU states.

“Crash out” are the words often used by Remain to describe leaving without paying the EU £39bn for the privilege of leaving. As we do not owe them any money, most people would call that just leaving, not crashing out. We will not crash, and will have lots more cash.

“Fall off the cliff edge” is another fatuous phrase they use. There is no cliff edge. Planes will fly and lorries will move through ports the day after we leave just as they did the day before. We will carry on trading and travelling, investing and being tourists in each other’s countries, as we do today in numerous non EU countries.

The EU talks about a “disorderly Brexit” if we leave without a Withdrawal Agreement. That means we leave without paying which annoys them but is good

for us. The EU will find that people, companies and global rules will work just fine. The continental exporters to the UK will make sure they can still sell to us as they sell to other countries not in the EU. There is nothing disorderly about the way EU states trade with non EU states.

The use of this pejorative language is silly and misleading. The proponents of the EU say they wish to defend the international rules based system. Presumably their beloved EU does just that. In which case, as a law abiding member of the World Trade Organisation, the EU will not be able to discriminate against the UK after we have left and will not be able to impose new additional tariff or non tariff barriers. The EU has to treat us as it treats all other most favoured nations under WTO rules.

As the bulk of the UK's trade with the EU is imports, I assume even Mr Barnier will understand they need continued decent access to the UK market. The good news for them is we are offering that, as long as it is reciprocal and within WTO rules.

Trade is mainly about companies and individuals, not governments

The good news is governments need to promote and tolerate trade as well as unfortunately doing their best to harm it. Governments like to tax trade, with excise duties, VAT, other sales taxes and customs dues. This both harms it, but also gives them a rationale to want to promote more of it at the same time. They like to regulate it for a variety of good and bad reasons. They rightly want to stop people selling dangerous items that could be misused and want to supervise the safety of everything from planes to drugs, but they also often want to control the style, performance and method of manufacture of things where variety might not be harmful. The EU both poses as an advocate of more trade within its zone, and acts as an impediment to more trade outside the zone by imposing a barrage of controls and taxes on items coming in from non EU sources. The US objects to VAT on its sales into the EU, as well as to the higher tariffs like the ones on food products.

In the never ending UK Parliamentary debates on trade the advocates of us staying in or rejoining the EU customs union, or inventing a customs union with them similar to one we are leaving, never give up and never find any new and convincing arguments. Three times Parliament voted down staying in the customs union by a large majority. Last night Parliament voted it down yet again by a small majority. As someone who likes Parliamentary democracy and thinks things should be settled here by lively debates and votes, I am also allowed to ask how many more times do we have to make the same decision? I want this Parliament to tackle issues like housing, economic growth, real wages and the other things that matter to voters, but its ability to do so is

constrained by so many MPs wanting to go over the same old topic day after day.

I am an MP who wants business to succeed and wants to see more prosperity and more better paid jobs in the UK. So why don't I want a customs union? Let me have one more go at replying to the tired old statements of the Remain campaign that we hear daily in Parliament on this subject.

1 Remain claims that industrial business operating Just in Time supply chains with imported components will not be able to work efficiently from outside the Customs Union!

a) Many businesses today in the UK operate Just in time systems with components coming in from the USA, Japan, China and other sources that are outside the EU. Some JIT systems operate well with seaborne deliveries from outside the EU. They know how to get their products through the docks in London or Southampton just fine. The products have been many days at sea and the short time taken at the port is minor compared with total travel time.

b) Both EU and non EU components come in under a system of Authorised Economic Operators. They file electronic manifests of the consignment, and the calculation of any VAT, customs dues, excise and other taxes occurs as the goods transit. The lorry driver at the port does not have to wait whilst they work out the payments and pay them by cash or card in a queue of trucks. There has been a long standing system of TIR trucks, with sealed cargo sections that have permission to cross borders because the authorities know what is in them.

c) Both the EU and the UK are members of the WTO. Its Facilitation of Trade Agreement covers the main issues requiring member states to minimise friction at borders.

2. Remain claims that any non EU system of imports will be too expensive and administratively difficult, especially given rules of origin which require specified proportions of local content.

a) The current EU system also requires substantial electronic paperwork and complexity. The EU levies VAT which requires great detail about process and where value was added, with issues over transfer prices. It also needs to police rules of origin. Importing from outside the EU need not be more onerous, and once out of the UK we will design our own system which can be friendly to business.

b) The information the authorities need to police and tax is very similar to the information the company needs to supply to its customers and counter parties. If you are supplying a component for a complex machine like a plane or vehicle you need to send great detail about how and where the components was made, what the tests results were, and what its price is. Modern manufacturers require individual component traceability in case something goes wrong. It means the information the authorities need is already known to the company and in its computer, so a simple computer programme can extract and present the relevant information for transit papers.