In search of an agriculture policy

This week the government produced an “Agriculture Bill”. That is welcome, as farmers need to know what rules will apply and subsidies will be paid after March 29 next year if we just leave the EU then.
On reading the Bill, it emerges that it is not such much an agriculture bill as a Land management and environment bill. It seems to assume a 21 month delay in exiting the EU, which may or may not happen. Great emphasis is placed on the state paying taxpayers money for public goods which include public access, upholding heritage , protecting or improving the environment and action which “mitigates climate change”. There is an added provision which is welcome which says “The Secretary of State may also give assistance for and in connection with the purpose of starting, or improving the agricultural productivity” of a farm.

An Agriculture Bill, and the agriculture policy, should primarily be about food production. That after all is the main purpose of farms and market gardens. There is a huge opportunity awaiting us as we leave the EU. Our market share for home produced temperate foodstuffs has slumped from over 90% to under 70% during our time under the CAP. A well designed domestic policy could reverse that. There is no good reason why Holland outcompetes us in a wide range of temperate vegetables and flowers, nor why we should be so dependent on Danish bacon, French dairy products and Irish beef. These are all things we can do more of ourselves. It would be a good environment policy to cut the food miles and satisfy more demand with local produce. It would also ensure good landscape gardening by farmers. Many of us find well tilled wheatfields or lush grazing meadows with herds of cows a great landscape where the farmer provides a good view free to the onlooker whilst also producing the food we need to eat.

I have made representations that more needs to be built into the policy to promote UK home grown food. Mr Gove needs to liaise with Dr Fox at Trade to ensure we have early sight of a good new tariff schedule for an independent UK. Products from farms and fishing vessels are the main items that attract high EU tariffs against the rest of the world. The UK needs to optimise its tariff schedule to provide lower tariffs on some world foods to help the consumer, whilst imposing sensible tariffs against continental competition for the temperate foods we could produce in bigger quantities for ourselves.

The second thing Mr Gove needs to do is to set out in more detail what grants and subsidies will be available for UK farmers wishing to improve and expand in UK food production to assist them with a substantial uplift in capacity that we need as we leave the EU. I was delighted to see recently Chapel Down Vineyard announce its search for an additional 400 acres for new vines, such is the demand for its product. Wine growing adds a lot of value to the basic grapes, and offers scope for much greater import substitution. It will also save a good few drink miles on the transport system, as lugging cases of wine in glass bottles around is costly and generates a lot of exhaust gases. There are many other specialist agricultural areas where we can expand production and add value.

Blood Cancer Awareness Month

Today I met with my constituent, Paul Carless, Ambassador for Bloodwise, the UK's leading blood cancer research charity, to discuss their work.

Blood Cancer is the 5th most common cancer and the 3rd biggest cancer killer. More people die of blood cancer each year than breast cancer and prostate cancer yet there is comparatively little public awareness of it.

During September, Blood Cancer Awareness Month, they seek to raise further awareness of the key issues affecting the 240,000 people in the UK living with a blood cancer. They also provide information and support services for those affected by blood cancer. You can find out more on their website https://bloodwise.org.uk/

The collapse of Venezuela

Socialism is paved with some good intentions but can so often end in disaster. I share the wish of socialists to eradicate poverty and hunger, and to create the circumstances where people can live better lives.I agree the state needs to redistribute some income, but it also needs to encourage people to work and to support their own families. The problem is if you try to do this the socialist way, like Venezuela, you end up with far more people in poverty, with people hungry, too many empty shelves in shops and with a need to repress normal democratic politics to prevent a change of government.

Jeremy Corbyn famously told us that Chavez was inspirational. He said that Venezuela's policy of "fighting back against austerity and neo liberal economics" as we have in Europe showed there was a "better way of doing things. It is called socialism". So they tried it on a grand scale in Venezuela. They nationalised the oil industry and much else, introduced strict price controls, intervened across the board in business, and sought to make payments to the poor to boost their incomes. They spent well beyond the country's means and watched as the country's output sank. They triggered a collapse of output, and a hyperinflation. 2.3m Venezuelans have fled the country seeking a better life elsewhere. Those who remain face daily shortages, rampant price rises, and an increasingly tough government trying to control a people who are far from happy with what has happened.

There are many shortages. These result from too many controls on private business and too much interference from the state. Venezuela has the largest oil reserves of any country in the world. It should be a fabulously rich

country, with access to so much oil wealth and revenue relative to its population. Instead the nationalised industry could not keep output up. Today the government is having to look at letting the private sector back in to try to recover damaged wells and increase output from run down fields.

If you introduce price controls you end up with less output. If you print too much money to give to the poor you end up robbing them through a massive inflation. If you borrow abroad against your country's assets in foreign currencies, you struggle to honour your debts when your own currency collapses. This is the price of socialism. What does Jeremy Corbyn think now about the inspiration of Venezuela, the better way he was looking for? The USSR "better way" required border guards to shoot people who tried to leave. Venezuela now depends on the goodwill of its neighbours to take in the hundreds of thousands crossing the border to find some food.

There are other options to Chequers

One of the most bizarre lines the government is currently using says there is no alternative to Chequers. The government knows full well there are other options. After all it is working on one itself which it tells us will be ready by March next year, the option of leaving without a Withdrawal Agreement. This one avoids payments of £39bn and allows us to choose our own tariff schedule for trade under WTO rules with the EU like the rest of the world.

There is also the Canada plus plus plus deal. This would entail leaving with a Free Trade Agreement with the EU based on the one Canada has recently signed, with additional barrier removal thanks to starting from a position of few barriers as members of the same customs union. There could be no tariffs rather than the few tariffs that remain in the Canada one. There could be a better range of services agreed given we start from a common position on services. There could be a security partnership added. The EU has offered a Canada style free trade agreement, only with an unacceptable position on Northern Ireland. It should be negotiable to persuade them that there is an easier solution to the Irish border problem than the EU makes out, so the Free Trade Agreement applies to Northern Ireland alongside the rest of the UK.

David Davis was working on an alternative to Chequers in the Department before his resignation. Presumably the government recognises that as a possible option. The government is doubtless working on an alternative to Chequers that might command the support of the EU , given the substantial objections they have made so far to the proposal.

There's four options that are not Chequers which the government has worked on, so it's not sensible to say there is no alternative.
There has also been a campaign to ask the ERG to produce their proposal

instead of Chequers. Yesterday the Group presented research to show that the Irish border is not a problem that requires Chequers or the EU backstop. If you accept this detailed proposal, then the other options become possible and the need for Chequers falls away.

Various think tanks have also produced plans. My view is leaving without signing the draft Withdrawal Agreement is very difficult to beat. Saving £39bn and completing exit next March to end the uncertainty looks like a good plan to me.

My speech during the debate on Legislating for the Withdrawal Agreement, 11 September 2018

I reproduce below my speech on Monday in the Commons. To those of you who seem to think the website is some private source, you will note I say similar things in public in this speech!

The British people voted, by a large majority of over 1.25 million votes, to leave the European Union. We had all been told, by means of leaflets sent to our homes by the then Government, that this was a once-in-a-generation opportunity to vote on this—not a series of votes until people got the answer they liked—and that we, the people, would make the decision. It was a very clear issue. The leave voters I met, and I met a good number of leave voters, took it very seriously. They understood the arguments, they considered them and they meant their vote. I do find it most curious that some Members of Parliament are still saying that it was not clear that we voted to leave the single market and the customs union. One of the very few things that the two official campaigns agreed on was that point. Remain said that we would obviously have to leave the single market and customs union—remainers regarded it as a kind of threat—and leave said that we would want to leave the single market and customs union, as well as having to, because we saw it as an opportunity. So there was happy agreement and everybody voted accordingly.

I was a very strong supporter of this Government because they were elected, in the recent general election, on a ticket of getting on with implementing Brexit. That was pretty popular around the country. The Conservatives got a much higher percentage of the popular vote than in all the previous elections since Margaret Thatcher. We did not get as many seats as we would have liked because there were interesting surges in the popularity of the Labour party, which also fought the election on getting on with implementing Brexit. The bit of the Labour manifesto I most enjoyed was the rather long piece in it about how Labour wanted an independent trade policy. It was not in every

respect the policy that I would have designed, but Labour made it crystal clear that it wanted a completely independent trade policy and that would of course be totally incompatible with staying in a single market and a customs union.

I was very happy with the Lancaster House speech, which I thought was beautifully crafted. It set out exactly the vision that most leave voters and many moderate remain voters who accepted the democratic verdict of the people could buy into.

Debbie Abrahams (Oldham East & Saddleworth) (Lab): The right hon. Gentleman said that he appreciated the Lancaster House speech and that everybody who voted to leave did, too, but how does he know that?

John Redwood: From conversations, watching opinion polls and listening to the national conversation. I do not know about the hon. Lady, but I take my politics seriously and I regard it as my job to listen, to read, to understand and to consult colleagues. I find that coming into the Chamber is quite a good way of judging the mood because sometimes Members of Parliament, even those on the Labour Benches, know the mood in their constituencies.

Sir William Cash (Stone) (Con): Will my right hon. Friend remind the hon. Lady and the House that a pamphlet was put out by the Government during the referendum campaign that explicitly said, “This decision will be yours”? There was no question of its being decided by Members of Parliament. We operate by a system of parliamentary government, not government by Parliament.

John Redwood: Indeed, but let us press on.

My worry is about the Chequers proposal—and it is only a proposal; it is not a deal or an agreement—which was set out in the future relationship White Paper, and the consequent White Paper about how such an agreement, were one to arise, would be handled and implemented by this Parliament. My worry, and I think it is the worry of many leave voters and some remain voters, is that, having voted to get rid of treaty law—to dismiss the European Union treaty because we had not enjoyed living under its tentacles—the Government now suggest we need another two European treaties to replace the one that we are getting rid of. We are mightily suspicious of treaty law. Why are we so suspicious of it? Because the original treaty, the treaty of Rome, masqueraded as a free trade agreement, which is how it was sold to the British people in the long-distant 1975 referendum, but by accretion and development, over which the British people had no control, it changed—through Nice, Amsterdam, Maastricht and Lisbon—into a massive panoply of laws and controls and completely changed our constitutional structure, without the people ever having a proper vote on that process until the most recent referendum.

We know from our experience here that this became what I call a puppet Parliament. In dozens and dozens of crucial areas where we might like to legislate, we had no power to legislate independently of the European Union whatsoever. In all those massive areas—not just trade and business, but the

environment, social policy, employment policy and even foreign affairs—we had to legislate in the way the European Union laid down. Quite often, many Members of Parliament and many members of the public disagreed with that way. Quite often, it was an area where the Government had either lost a vote or did not bother to hold one because they knew they were going to lose as they were in disagreement with other member states. It was that above all else that the British public rejected in the historic vote in 2016. They said to Members of Parliament, "Collectively, you often make a mess, we don't always approve of you and we are very critical of you, but you are our MPs" and the joy the public have is that they can fire us if we really annoy them or we get it wrong, whereas the European Union often strongly annoys them and gets it wrong and there is absolutely no one they can, directly or indirectly, have fired because it is a system that the UK cannot control and has to receive. We are, therefore, very suspicious of the idea of more treaty law.

One of the things that makes this debate very difficult for a neutral observer to come to a sensible view on is the abuse of language and the scare stories that seem to characterise most of what passes for debate on these important issues. I do not for one moment believe that there is a cliff edge and I do not for one moment believe that we would leave the European Union with no agreements. There will be lots of agreements. We have always had lots of agreements: there are lots of business-to-business agreements, business-to-individuals agreements, business-to-Government agreements and even Government-to-Government agreements. Once we have left the European Union properly, I am sure that there will be a lot of diplomacy, discussion and joint action, but we want it to be bilateral and based on the merits of the case as we proceed each time. We do not wish it to be multilateral through the EU, where the EU has special legal powers that mean that it has duress over us or can prevent us from having a weighted dialogue with the EU and reaching an agreement if we wish and not if we do not.

The structure of what the Government are now proposing is quite alarming. The EU withdrawal agreement would take the form of an international treaty, which would of course need full ratification by Parliament in the way that has been laid out. However, if it was agreed with the EU and then subsequently ratified by this Parliament, we would be back in the position where European law had more significance and for the whole of the transition period we would of course be completely back under the control of the European Union. As my hon. Friend the Member for Stone (Sir William Cash) has pointed out, we would be even more vulnerable than we are today because the EU could legislate in our absence. At least we can see them annoying us at the moment around the same table, whereas we would be in the position where they could simply do it without consulting us or taking into account our views.

Therefore, that is not a good idea, but even worse is the proposed legal form of the so-called future partnership agreement. The UK Government call it a partnership agreement, but I think what the EU proposes, and would call it, is an EU association agreement. Such agreements are normally very comprehensive, and we can see exactly what they look like when we read the one for Turkey or for Ukraine. They have been designed by the EU to lock in countries that would like to become members but are not yet fully compliant

with all its legal requirements, standards and so forth. They are used to drag those countries gradually into compliance—usually willingly, because they want to join.

We want something completely different. We want agreements on how to proceed in various areas, but we are going in the other direction. We do not want an agreement that drags us into closer compliance; we want the freedom and flexibility to have our own trade policy, our own fishing policy and our own business policy as time evolves. I am very worried that an association agreement model, rather than allowing that, would reintroduce the powers of the European Court, over which we will obviously have no control, and we would again be under strict control in a number of wide-ranging areas from which the British people wish us to liberate themselves.

Martin Whitfield (East Lothian) (Lab): In the right hon. Gentleman's vision of the future, how does he see the nature of the devolved Governments here? There was clearly a very different relationship before we went into the EU. What influence does he see them having on the trade deals that the Government seek?

John Redwood: In the model that I am describing, we would get much more power back and we would keep it, and that would then be shared with the devolved Administrations, so they too would be winners. That settlement will be sorted out in the usual democratic way in a unitary country that has recently had a very important democratic event. The Scottish people decided by a decent margin in a referendum that they wished to stay in the United Kingdom, so their way of influencing the trade deals will be through this Parliament. Had they chosen to leave the United Kingdom, they would be having their own trade deals—or more likely they would be having the EU's trade deals, because the Scottish National party does not seem to want an independent Scotland; they want a Scotland that is dependent on the EU, rather than a very important partner in the United Kingdom enterprise.

My other worry about the two prospective treaties that the Government are mulling over is conditionality. The Government have told us that nothing is agreed until everything is agreed, and I fully approve of that. They also seem to understand that, unless they are prepared to say to the European Union, "We will leave without signing the withdrawal agreement," they have no negotiating position. We now know that the Government are quickly preparing to be able to leave without signing a withdrawal agreement. I think that that would be a very attractive option for many leave voters because the withdrawal agreement itself is mainly about the United Kingdom paying an extremely large bill. The Government are saying, "Yes, but you need to look at the whole package. You need to see what is in the future partnership"—the association agreement treaty to come, because they think that might persuade Parliament and people to accept the rather unpalatable withdrawal proposal. The Government's problem, as we have just heard from the Opposition, is that there will not be a majority in this House to put through the current kind of withdrawal proposals the Government have without a very clear, bold and good-looking association agreement/future partnership and we might be looking only at rather vague heads of terms. I suggest that the Government need to introduce rather stronger conditionality than they have done so far in their

negotiations. They need to make it crystal clear that there is no £39 billion unless something really impressive is available.

I do not know about the Government—I sometimes worry about how they might go shopping—but when I go shopping I do not go into a shop, put £39 down on the counter and say, very politely, "By the way, I have £39 there for you, which I thought you might like. Do you have something that I might like so that I do not leave the shop as a loser?" It seems to me that that is what the Government did. They put down £39 billion—they have rather more money than I have, lucky them; some of it is money that they took from me, actually—on the counter and said, "By the way, EU, we have these dreadful Eurosceptics back home who want value for money, so it would be quite nice if you could offer us something that might be suitable for us."

When I look at what the EU has in its shop, I am afraid, oh Government, that I do not see anything that I would pay £39 billion for. Yes, I would like a free trade deal, which I think would be a perfectly good answer in the current situation, but I do not remember Canada paying anything for its free trade deal. A Canada deal would be just fine, with a few extra knobs and whistles—we start from complete compliance with the EU, so it will be easy to have a few extra knobs and whistles—but I do not think that is the kind of thing I would pay £39 billion for. Indeed, the tariff saving would be a small fraction of £39 billion, so it would not make a lot of sense financially. The Government, therefore, have a bit of work to do to persuade friendly, reasonable people like me that the two treaties they have in mind represent a good deal for the British people.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I am listening to the right hon. Gentleman's point about the divorce payment. Is he making the case that Nigel Farage should be deprived of his pension pot?

John Redwood: I am not suggesting that at all. That gentleman's pension pot is a liability of the European Union. They entered into it, so I think it is something that they need to sort out. I do not think that the European Union should be the kind of body that stops people getting their pensions. I do not remember when we joined the European Union being given a big pot of money to reflect all the liabilities we inherited, so it is a bit difficult to understand why the reverse has to happen when we leave and we have to pay for the others. We simply were not given a whole load of money at the beginning to reflect the fact that we were going to have to pick up some of the pensions of civil servants who had been working in the EU before we arrived.

Peter Grant (Glenrothes) (SNP): It is interesting that the right hon. Gentleman thinks that we went into the European Union on the basis of a referendum in which people did not understand the question but we are not allowed to use that argument now. Is it not the case that when new members join the European Union, they become liable for liabilities that occur only after they join? In the same way, if any member is daft enough to leave, they are liable only for those liabilities that occurred before they left.

John Redwood: No, I think that the hon. Gentleman is wrong. I think that he will find that we were responsible for the existing pension liabilities

jointly and severally with the other members. We cannot really complain about that; we were joining the club, so we had to help pay the club bills. When we leave the club, the remaining members pay the bills—it is a fairly straightforward operation.

Dr Whitford (Central Ayrshire) (SNP): I would have thought that when someone leaves the bar in the golf club, they pay their tab before they go. That is what the £39 billion is; it is not shopping for a trade deal. If the right hon. Gentleman is suggesting that no deal is better, so as not to pay the £39 billion, I would be interested to hear what he thinks will happen to the EU citizens who have settled here and to British citizens who have settled in Europe, because they are also part of the withdrawal agreement.

John Redwood: I have always said that someone should pay for the drinks they have just ordered in the bar while still a club member, and once they have ceased to be a club member they cannot order drinks anyway, so there is no problem. I do not think that the hon. Lady has really got that one. As for EU citizens, I am very keen that we reinforce the Prime Minister's assurances. I have always thought that if we do the right thing by its citizens, it will end up doing the right thing by ours. It is very important that we do not forget that our citizens have rights and need support as well, but I do not believe that the EU is as nasty as some remain voters seem to believe. I do not believe that this group of democratic nations would start evicting people from their countries after they had settled there legally under its rules. I hope that the hon. Lady is not suggesting that. If she is, why does she wish to belong to the kind of organisation that throws people out when they are legally entitled to be there?

Dr Whitford: It was the right hon. Gentleman's colleagues sitting on the same Benches who talked about EU citizens as bargaining chips and playing cards. One of them stated in the newspapers only recently that EU citizens would not be allowed to stay—someone not very far away from him at all.

John Redwood: I suggest that the hon. Lady addresses those remarks to whoever she thinks said that, but I did not.

Mr Rees-Mogg (North East Somerset) (Con): I was asked a different question, which was about the rights of EU migrants who come after we have left. I have always thought that those who are here before we leave should maintain full rights.

John Redwood: Indeed. I would not have expected anything else. I think that it is always better if people speak for themselves.

I am very worried by this drift. I am also worried by this whole so-called implementation period or transitional period. It is clearly not an implementation period, because there is nothing to implement as of today. Even if there is a moderately detailed political agreement, it will not be something we can go off and implement. I have become very nervous about the idea that we need another 21 months of uncertainty. I have heard a lot from remain about the dangers of uncertainty. I can see that going on for too long with arguments about our future is not terribly helpful. I think 33 months is

probably quite long enough to have a good old argument and see whether we can get a decent set of agreements from the EU or not. I remain to be persuaded that there is something our talented Ministers can achieve in negotiations on 1 April next year, to pluck a date out of the air with no particular significance about it being April fools' day. What is it that could be agreed on April fools' day next year that could not be agreed now or in December? We still have seven negotiating months left. We have already had two years or more of negotiations. I would say that that was a fair enough test. I would also take the view that if there is not something at the end of 33 months that we like, then we should just say, "Fine, it is not to be. We will go off and do bilaterals on a regular basis on the things that are of mutual interest." I suspect we would get along just fine.

That is, of course, how the 160 other countries around the world get on with the EU. They do not have a special trade arrangement. They are certainly not bound by EU treaties in most cases. There are those who are terribly worried about the fate of the trade deals the EU has with 60-odd countries. I can reassure them that I still have not heard a single one of those countries say they wish to lose that trade deal with the UK. Of course, in law it novates to both the UK and the rest of the EU, but it needs to be agreed with the other party to the agreement. I do not know of any country that does not want to allow us to novate. Of course, some say we could improve it and make it better—why not? It is a good idea to have a look at it, but until I am told of a country that has actually ruled out taking on one of these trade deals I think they are there for us to continue to enjoy.

What is more important is that if we got on and left, we could sign trade deals and implement them from April next year. There are a number of countries friendly to us who would like early trade deals. There are off-the-shelf trade deals that they might be interested in developing, which they have developed with others, that would get us off to a good start. I do not like the provision in the White Paper—I think perhaps the Minister did not quite grasp it—that says, as I understand it, for the 21 months they are proposing for transition we are not allowed to implement a trade deal with anybody else. I think we could discuss them and get them ready for signing—that kind of thing—but they could be brought into effect. I think it would be rather nice to get on with it and bring things into effect.

There are plenty of other things I would like to talk about, but there are many others who would like to join in. Let me sum up by saying that my worry about the EU withdrawal proposal is that I do not think Parliament will be very willing to put the legislation through without great clarity, as Labour has said, on the so-called partnership—the association agreement. For myself, I am going to need a lot of persuading, because I think the money is far too great and the transition delay, so-called, is far too long. I am also extremely concerned that we will give up one EU treaty only to sign up to another two, which look to me as if they will have many of the problems that we had from the original.