

My speech on the EU Withdrawal Bill

John Redwood (Wokingham) (Con): I entirely agree with the hon. Member for Vauxhall (Kate Hoey): we have no legal obligation to pay more money, and there is no moral obligation. There is also no diplomatic advantage in offering money; indeed, if the EU gets the idea that we might pay it a bit of money, it will be even more unreasonable, because that would be the way to try to force more money out of us.

What I wish to say in this very important debate is that the Bill should satisfy most remain voters and most leave voters. I understand that it does not satisfy some MPs, who have their political agendas and political games to play, but they should listen to their constituents, and they should think about the mood of the country—the mood of business and those we represent. We have had crocodile tears shed for myself and those of my right hon. and hon. Friends who wanted leave and who are very pleased with leave by those who tell us that we must surely understand that we are not getting the parliamentary democracy we wanted as a result of this piece of legislation. I would like to reassure all colleagues in the House that I am getting exactly the piece of legislation I wanted, and it does restore parliamentary democracy.

What is in the Bill for leave voters is that, once the Bill has gone through and we have left the European Union, the British people will have their elected Parliament making all their laws for them. We will be able to amend any law we do not like any more, and we will be able to improve any law. We were not able to do that.

What we like about the Bill is that it gets rid of the 1972 Act, which was an outrage against democracy, because, as we have heard, it led to 20,000 different laws being visited upon our country, whether the people and Parliament wanted them or not, and whether their Government voted for them or against them—the Government often voted for them reluctantly because they did not want the embarrassment of voting against them and losing. This is a great day for United Kingdom democracy. A piece of legislation is being presented that will give the people and their Parliament control back over their laws.

Ruth George (High Peak) (Lab): Will the right hon. Gentleman give way?

John Redwood: Let me just explain why this is good for remain voters and then I will give way to someone who is probably of that faith. It is good for remain voters because during the campaign a lot of them were not fully convinced either for or against the European Union, but on balance thought we should stay in. They quite often liked some elements of European legislation, standards or requirements. In particular, the Labour party and its supporters liked the employment guarantees that were offered by European employment law, and other parties and interests liked the environmental standards. This Bill guarantees that all the things that remain voters like about European legislation will continue and will be good British law, so they will still have the benefits of them, with the added advantage that we might want to

improve them, as well as full assurances from the Government that we do not wish to repeal them.

Ruth George: I am very surprised that the right hon. Gentleman is saying how delighted he is that so many rights and responsibilities will now come under delegated legislation. I am not sure if he recalls that on 1 September 2012, as a member of the Delegated Legislation Committee on the criminal injuries compensation scheme, he, with all the other Conservative members of the Committee, called for the then Minister to withdraw the measure before them, and that did not happen. A second Committee was set up—

Mr Speaker: Order. Forgive me, but colleagues must have some regard to each other's interests. There are a lot of people wanting to speak. Interventions must be brief; they should not be mini-speeches.

John Redwood: Let us come to the secondary legislation point. First, all statutory instruments are subject to a parliamentary process. I am quite happy that there is parliamentary control. If Ministers seek to abuse the power under the legislation that they are offering to the House, then all the House has to do is to vote down the statutory instrument. If it is a so-called negative resolution instrument, surely the Opposition are up to being able to say, "We intend to debate and vote on this issue." I remember doing that as a shadow Cabinet member. I called in things that the then Government were trying to smuggle through and made sure that there was a debate and a vote. If it is the view of Parliament that Ministers have misbehaved, then they will lose the vote and have to come forward with something else.

That is parliamentary democracy, and I do not understand why my colleagues find it so difficult to understand. Ministers will be bringing forward bits of secondary legislation in areas where they are fairly sure that it is the will of the House that they go through because they are technical, or sensible, or obvious. They will all be in pursuit of the fundamental aim, which is to guarantee all these rights and laws, which are often more admired by Opposition Members than Conservative Members, but which we have all agreed should be transferred lock, stock and barrel, and which in certain cases are protected by pledges in manifestos. For example, my party, as well as the Labour party, has promised to keep all the employment protections and improve on them, because that is something we believe in. We offered that to the British people as part of our manifesto for the last election.

Lady Hermon: The right hon. Gentleman has suggested that those who voted for remain, as I did, should be happy with this Bill because it brings over all EU legislation. Yes and no. On the stroke of midnight on exit day, we lose the general principles of EU law such as proportionality, non-discrimination, and respect for human rights. [Interruption.] No, with respect—the general principles go. Does he agree that we should lose those very sound, good, valuable general principles?

John Redwood: I think that those excellent principles are already reflected in both European law and British law and will therefore be built into our statutes. They will be inherited from European law through this Bill, and they will often inform the judgment of our judges. I am very happy to trust

our Supreme Court rather than the European Court of Justice. The Supreme Court has not always made judgments I like. I did not like one of its judgments quite recently, but we accepted it and lived with it. We are now in a stronger position as a result, as it happens, because we had a nine-month referendum debate in this House after the country had made its decision. I am pleased to say that after a very long and extensive rerun of the referendum—day after day we were talking about the same subject, having been told we never did so—Parliament wisely came to the decision, by an overwhelming majority, that it did have to endorse the decision of the British people and get on with implementing it.

Joanna Cherry: Will the right hon. Gentleman give way?

John Redwood: I am afraid that time is now rather limited.

I am very much in favour of our Parliament making these decisions. The admirable principles we are discussing will often be reflected in British law. They are already reflected in many of the bits of legislation that are the subject of this Bill, and our judges will often be informed by them. If the judges start to use a principle that we do not like very much, it is in the hands of those of us who are in Parliament to issue new guidance to those judges—to say that we are creating more primary legislation to ensure that we have a bit more of this principle and a bit less of that—on our area of disagreement with them. In a democracy, it is most important that we have independent courts, but also that, ultimately, the sovereign people through their elected representatives can move the judges on by proper instruction; in our case, that takes the form of primary legislation.

Much has been made of how we implement whatever agreement we get, if we have an agreement, at the end of the now 19-month process in the run-up to our exit on 29 March. I think people are making heavy weather of this, because the main issue that will eventually be settled—I fear it will be settled much later than the press and Parliament would like—is how we will trade with our former partners on the date on which we depart.

There are two off-the-shelf models, either of which would work. In one, the EU decides, in the end, that it does not want tariffs on all its food products and cars coming into the UK market, and it does not want us creating new barriers against its very successful exports, so it agrees that we should register our existing arrangements as a free trade agreement at the World Trade Organisation. That would be a ready-made free trade agreement.

I do not think that there is time to make a special free trade agreement that is not as good as the one we have at the moment. Either we will have the current arrangements, as modified for WTO purposes, when we are outside the Union, or we will not. If we do not, we will trade on WTO terms when we are on the other side of the EU's customs and tariff arrangements. We know exactly what that looks like, because that is how we trade with the rest of the world at the moment as an EU member.

The EU imposes very high tariff barriers on what would otherwise be cheaper food from the rest of the world, but if it decided on that option, its food

would, of course, be on the wrong side of that barrier as well. We would have to decide how much we wanted to negotiate tariffs down for food from other countries around the world, which may offer us a better deal. It would be quite manageable; food is the only sector that would be badly affected by the tariff proposals under the WTO. More than half our trade would not be tariffable under WTO rules, and services obviously attract no tariffs. I have yet to hear any of the other member states recommend imposing tariffs on their trade with us, or recommend a series of new barriers to get in the way of other aspects of our trade. We will have to wait and see how that develops.

Nicky Morgan: Is my right hon. Friend saying that one of the largest and most basic amounts of its income that any household spends—the part that it spends on food—could be affected by these proposals, but that that is okay?

John Redwood: I am saying that either way, we could get a good deal. If the EU decides that it wants to impose tariffs on its food exports to us, we will be able to take tariffs off food that comes from other parts of the world. Under WTO rules, it is always possible to take tariffs off. We could start getting from the rest of the world food that is cheaper than that which we currently get from the EU, even though it does not attract tariffs. I want to look after customers.

The other thing is that if we just accepted the full WTO tariff rules, we would have about £12 billion of tariffs, and I would recommend that all of that £12 billion be given back to our consumers. They would be no worse off at all, because we would return the money to them. They might even be better off, if we did free trade deals that brought down the price of food from other parts of the world.

My final point to the Government is that there is an issue about how we decide the date of our departure. I think it is clear that our date of departure will be 29 March 2019. It will definitely be so if we do not have an agreement, which is still quite possible, but I think we should aim to make sure that we leave on that date even if we do have an agreement. We still have 19 months left, and that should be the transition for most of the things that need it. That is, surely, what the time is there to achieve. I recommend that we have the argument of substance over that date now, and that it be put in the Bill now. I recommend very strongly that we aim for 29 March 2019, because in one scenario that will be the date of our exit anyway, and in any other scenario it would be highly desirable.

People are always telling me that we need to reduce uncertainty. If we told them not only that all the laws would remain in place—getting rid of any uncertainty about the law—but that the date of our exit would definitely be 29 March 2019, we would have taken a lot of uncertainty out of the system. I think that that would be very welcome. I find that businesses now, on the whole, just want to get on with it. They are very realistic, and they want to know what they are planning for. They have got some of the details, but they want as many details as possible. If we put that firm date in, we would make it easier still, so I would recommend that change to the Government.

There is no cliff edge

The EU specialises in arguing based on fatuous and misleading analogies. We used to be told the UK had to stay in the convoy, an unfortunate image given twentieth century European history. Then we were told we must not miss the train, though many of us did not want to take a train to Brussels Central to be told what to do. Now we are told we will fall off the cliff if we just leave.

There is no cliff. There are numerous deals, contracts and joint activities which will continue after exit as before. People and businesses from Non EU member states fly to the EU, buy and sell with people in the EU, undertake joint ventures with the EU, come to EU universities. So will we once we have left.

I have still to hear from another member state what barriers they wish to impose on their citizens trading and travelling to the UK. It is difficult to see why they would want to get in the way, but if they do the WTO and other international laws and treaties will stop them doing damage to us.

Deficits and growth

The UK Treasury is still worried about the deficit. Getting it down further is going to be easier to do if the economy grows more quickly. So the obvious thing for the Treasury to do would be to move on from the question of how do we get the deficit down, to the more interesting question of how do we get the UK economy to grow faster? There is always the danger that if the Treasury spends all its time talking of the deficit it dampens expectations of growth and diverts attention from cutting tax rates or targeting spending in ways which can do most to promote more activity.

The Treasury does have one other important refrain as well as the deficit. It wants to get productivity up. This is worthwhile cause, though the word itself does not usually ignite warm support or spontaneous applause. Indeed, productivity raising investment in training, computing, plant and equipment is a prime way of raising the growth rate. In recent years under Conservative led governments the UK economy has been very successful at generating many more jobs, and getting more people into work. It now needs to improve at getting more of those people into better paid jobs. It is easier to get a better paid job if you already have a not so well paid job. Your employer may well back you, train you, promote you, or some other employer may poach you for a better paid role.

The announcement that the UK will build 5 new frigates in UK yards is an intelligent use of government procurement to support and develop the manufacturing economy. Defence is the one area where the UK can spend public money under EU rules whilst granting priority to UK suppliers. The aim is to provide workloads for several UK yards who can then seek other private sector work or seek to sell naval vessels to allied and friendly navies, extending the workload and sustaining the overheads and skills base. The procurement also features the new idea of offering a fixed price and asking the yards to provide the best ship for the money.

In the exchanges that followed the Statement I asked that this idea of using government procurement to strengthen UK supply be used more widely within defence. Once we are out of the EU, as the Secretary of State confirmed, we could amend EU procurement rules and apply this approach to some non defence areas as well.

[The EU Withdrawal Bill does not give Ministers large powers](#)

It is one of those ironies that the people who most liked our membership of the EU which sidelined Parliament over large numbers of important laws, now claim wrongly that the Withdrawal Bill gives Ministers special powers to by pass our democracy. On the contrary, the Withdrawal Bill restores Parliamentary control over our laws in a very real way.

The UK has always had two main types of law approved by Parliament. Main policies and important changes are put into law by Act of Parliament. This requires a long deliberative process in both House of Parliament before approval. Subsidiary details, ways of implementing the legislation and updates to values and dates are often put through in Statutory Instruments. These go through after a short debate on a vote to approve or reject the whole Instrument.

During our time in the EU governments of all persuasions used these Statutory Instruments to impose whole new laws that would otherwise have required an Act of Parliament in order to implement EU Directives. They were able to do so using the argument that Parliament had legislated in the original European membership Act to accept all these EEC/EU laws. Whilst governments observed the form that they had to be approved as Statutory Instruments, Parliament was also told in each case it had to vote for these new laws to conform with the requirements of our membership of the EU.

The Withdrawal Bill is as important a piece of legislation as the European Communities Act which it repeals. IT will remove all ability of Parliament in future to put through what are effectively complex new laws without the need for an Act of Parliament. It will restore UK democracy.

It also will transfer all current EU law into good UK law to ensure continuity, and to reassure Remain voters. Thereafter Parliament will only be able to change these European laws if government proposes and MPs accept new primary legislation to do so. With this in mind the government is planning a Fishing, Customs, Trade and other new laws next year to change features of the EU law in these areas.

Opposition MPs object to the relatively minor power that Ministers may, under the this draft legislation, make changes to EU laws by Statutory Instrument where there are technical matters that need cleaning up. For example many EU laws refer to the UK as a member state. These references need to be amended to former member state. Some EU laws grant rights of appeal to EU bodies whose powers will be removed by this legislation, so Ministers need to nominate new appellate bodies.

Ministers have made it quite clear these powers are not designed to allow them to change the sense or purpose of the law with an Act of Parliament. They will only be used for technical matters. Parliament anyway has the right to veto any SI under these powers, so it would be easy to stop any abuse.

[UK Manufacturing looks stronger in August](#)

The UK manufacturing PMI survey rose to 56.0 in August, well above the level of around 52 it was at during 2015 before the Brexit referendum became an issue. Industrial and manufacturing output is up slightly in June 2017 compared to June 2016, confounding the predictions of recession at the time of the vote.

Car output and sales which did extremely well from July 2016 until April this year, were hit by the tax increases of the last budget. However, total car output so far this year is only 1.6% down on the same period last year despite this. In part this reflects the high proportion of vehicles that are exported.

The UK industry runs a £13 bn surplus with the rest of the world and a £21.8bn deficit with the rest of the EU on vehicles. It also runs a £6.2bn a year deficit on components with the rest of the EU and is in balance on parts with the rest of the world. The EU has not been a good or easy market for the UK industry.

Since the vote Nissan has announced two new models for its Sunderland plant and Honda has pledged a substantial additional investment at its Burnaston facility. Component manufacturers also see the opportunity for more UK sourced parts, with Gestamp announcing a new Midlands manufacturing facility.

Meanwhile Ford has said it will be shedding an additional 1100 jobs from its Bridgend plant. This is in line with its progressive run down of UK vehicle assembly and related work over many years. It closed all vehicle assembly at Dagenham more than a decade ago, and closed its last vehicle assembly line in Southampton before we had in mind a Brexit vote. Transit manufacture for Europe shifted not to the EU but to Turkey. It does intend to carry on making engines in the UK, where UK technology and skills are a strength.

The UK's two largest vehicle manufacturers are Jaguar Land Rover, producing 544,000 last year and Nissan with 507,000, out of the total production of 1.7 million. Both are committed to their UK base and have scope to buy more components manufactured locally.

The UK government is promoting R and D in new vehicles and new technology, and is backing the Automotive Investment Organisation which seeks new investors to set up component capacity. The aim is to get the UK component proportion up from around 40% to well over 50%.

Boosting the component proportion is an important part of the strategy to generate more jobs here, add more value, and simplify the application of rules of origin for international trade. The motor industry has risen from just 5.4% of UK manufacturing output in 2007 to 9.4% last year.