

The death of the second referendum

On Thursday evening we at last got a vote in Parliament on the People's Vote proposal, recently adopted as Labour policy. It was massively defeated by 334 votes to 85. Labour officially abstained, lacking confidence in their new policy. The majority against was 249 votes. The Peoples Vote campaign now say this was not the proper vote! Isn't it interesting how every time we have a democratic vote which they lose, it does not count. Any vote you have only counts as long as it is the answer they want.

On these numbers even if all remaining Labour MPs had voted for the second referendum it would still have gone down to a substantial defeat. 318 votes is a majority in this Parliament, after deducting 7 Sinn Fein MPs, four tellers for each division and the Speaker and Deputy Speakers. Opposition to a second referendum runs higher at 334, a comfortable margin of 16 over an overall majority of the Commons.

Those in the EU who fondly imagine the UK will be like other countries facing unpopular EU measures and will roll over and hold another referendum to change its mind need to understand this vote. There is no likelihood of this Parliament voting through the complex legislation for a second referendum given the big majority against the whole idea. Brussels can rule that out. One uncertainty dogging the UK has been removed.

If there is no prospect of a second referendum which would be the only way of trying to reverse the first, there is less value in delay from Brussels point of view. They used to say they would allow a delay for an attempt to change the minds of the public but not just for delay's sake. Now they are suggesting they might countenance a long delay to put pressure on MPs to sign up to their penal Withdrawal Agreement. If many people had such an advantageous deal for them on the table they would try hard to get the other losing side to sign it. That is a good reason not to do so.

Delay and a second referendum

I will produce considered pieces on these two topics over the weekend.

The immediate headlines are

1. A big majority of Conservative MP (188) and an a bigger majority of Conservative members oppose delay. If the EU agreed a delay it could only go through with Mrs May and her minority of Conservatives in alliance with Mr Corbyn and Labour. Seven Cabinet members oppose delay and other Ministers, leading to resignations if the PM were to want to press it.

2. There is no agreement amongst delayers over how long and why. If the EU wont renegotiate anyway, how would the UK get a better deal after March 29 than in the 2 years 9 months before? How would delayers in Parliament explain it to voters who were promised Brexit by b0th main parties in the 2017 election ?
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My speech during the debate on the UK's Withdrawal from the European Union, 13 March 2019

John Redwood (Wokingham) (Con): Some 17.4 million people voted to leave. They were told by both the Government and the remain campaign that that meant leaving the customs union and the single market. They were told that many things would be damaging or wrong if we left. There was a series of very bad short-term forecasts for the first year after the vote, and the public said to the experts, "We don't believe you", and they were right about the short-term forecasts: jobs figures went up, not down; growth went up—there was no recession; and house prices performed reasonably well. This was a specific forecast for the year after the vote and before we could conceivably have left.

Patricia Gibson (North Ayrshire and Arran) (SNP): rose—

John Redwood: I give way.

Mr Speaker: Order. Any interventions from now on are perfectly legitimate, but if Members intervene, they will be preventing others from speaking. I just want them to know that.

Patricia Gibson: Will the right hon. Gentleman explain how anyone can trust this Government? We were long told it was the Prime Minister's deal or no deal, but that is clearly not the case because the House could revoke article 50 if it so chose.

John Redwood: I do not agree. I think that that is exactly where we are: either we leave with the withdrawal agreement, or we leave without the withdrawal agreement. That is what the House voted for when it voted to send the article 50 letter, and that is what the House voted for when it enacted the withdrawal Act.

I am not here to recreate the arguments of the referendum. The public are heartily sick of Parliament's going over and over the same arguments in which we have engaged for three or four years now, in the run-up to the referendum and subsequently. They expect us to be purposeful, serious and sensible, and to sort out the issues and problems arising from the decision to leave the

European Union. That is exactly what we should be doing, and I come here in that spirit. I understand that remain voters have real concerns, although I think that some of them are exaggerated. It is up to us, working with the Government, to show that all of them can be managed and that there are many upsides, to which we are looking forward and which leave voters clearly had in their minds.

I want to reassure the House. Calling certain views certain names is not helpful to a grown-up debate. It is not a no-deal exit that we are talking about; it is a many-deals exit. As we have just heard from my hon. Friend the Member for Wycombe (Mr Baker), a series of measures have been enacted recently in the European Parliament. On both sides of the channel, serious work is being done to ensure that lorries can move and planes can fly. Goods will move across borders, and there will be an understanding about what happens in relation to customs and other checks. The drugs will come in, and the food will come in.

I think it is quite wrong to scaremonger and frighten people by pretending that none of that work has taken place—that German pharmaceutical companies will refuse to send their goods any more, or that the workers at Dover will get in the way and block them from coming in. It is not going to happen. We have heard very good news from Calais and Dover about all the work that has been done at both ports to make things work.

So let us come together and be practical, and let us understand that certainly all Conservative and Labour MPs were elected to this 2017 Parliament to get Brexit through. We all stood on national manifestos that said we would do that. The public cannot believe that so many Labour Members in particular are now saying, “We did not really mean it; we do not care about that; we want to stop it; we want to delay it; we want to redefine it in a way that means it is no longer Brexit.”

Brexit means taking control of our own money and then being able to spend it on our priorities, and the sooner we do that, the sooner we will have the boost to our economy which taking that measure would bring about. It means having tariffs that make sense for British industry, and for importers who might like some tariffs to be removed. I am very glad that my right hon. Friend the Secretary of State has slashed tariffs from a load of imported goods that do not involve our competing actively in the United Kingdom. That will be better news for all the consumers who will not have to pay those tariffs any more once we have our own tariff schedule.

I have a big idea for the Government. I entirely understand that very many people in this Parliament want a bigger deal, or more deals, than what is currently on the table. My idea is that, even at this late stage, the Government should offer the European Union a comprehensive free trade agreement based on the best of EU-Canada and EU-Japan, perhaps involving more services, because we already have alignment with services. If the EU would agree just to talk about that—as I suspect it would—we could leave on 29 March without having to impose any new tariffs or non-tariff barriers on each other, and proceed, under GATT 24, to negotiate a free trade agreement. That, I should have thought, would unite a lot of moderate remain voters with most

leave voters, and I strongly recommend it to the Government. Parliament must allow us to leave on 29 March, otherwise it will be the people against the Parliament.

Leaving without a Withdrawal Agreement remains the default position

The Commons motion last night to reject a so called no deal or WTO exit does not change the law. That says we leave on 29 March.

Those who wish to delay Brexit need to persuade the government to go to the EU to negotiate a delay, and then to legislate for a delay. The EU so far is rightly asking what would the delay be for and how long would it be. They point out they are not willing to renegotiate the Withdrawal Agreement. They had indicated they might give a short delay to implement the Agreement if passed, or a bit longer delay to hold a second referendum. The government and a good number of Labour MPs remain rightly against any such second Peoples vote.

The forces of delay have not coalesced around a period of delay with a purpose the EU would accept. Mrs May still wishes to give her deal another airing in the Commons. This story has no definitive ending before the 29 March.

The Spring statement

Today the Chancellor should confirm what the published figures have been telling us for some time. The deficit is lower than planned as his fiscal squeeze has been tougher . The government has collected more tax than planned, despite shortfalls on Stamp Duty and VED where they put rates up too much. Lower corporation tax rates and higher income tax allowances have helped or not impeded increased revenue from both sources. As a result of a combined monetary and fiscal squeeze the economy has slowed more than is desirable, at the same time as the Euro area economy has been hit by recession and slowdown.

What should he do about this? First, he should express concern that a slowdown is happening and signal he intends to do something about it. The Fed in the US has backed off from a monetary tightening that was damaging the US outlook, the Chinese authorities have announced tax cuts and monetary

relaxation to deal with their slowdown and the European Central Bank has announced more cheap loan facilities for commercial banks in their territory. Where is the UK response?

Second, he should cut tax rates for Stamp Duty and VED where high rates have cut revenues. CGT is another one where a high rate is deterring property sales. These cuts would boost revenue more. He should remove VAT from green products and from domestic fuel to celebrate our exit from the EU and relieve fuel poverty. He should cut income tax further, and make a substantial reduction in business rates. He can afford to reduce his total tax demand, as well as cutting rates that will raise more money.

Third, he should increase spending where a good case can be made for better public service as a result. Social care, schools and the police are three priority areas where asking for bids for more money to improve services would be a good idea.

The Chancellor lets the story run in the press that he will spend more if we vote for the Withdrawal Agreement. Now he has to make up his mind what to do knowing the result of the vote. He could afford to spend even more and tax less if we just leave without the Agreement, as we will save all that money that otherwise goes to the EU.