

## Visit to CEMAS

On Friday I accepted the invitation of CEMAS to visit their company and the meet their staff.

Cemas is a privately owned business based in south Wokingham. It employs 72 people and specialises in preparing test data for the agro chemical and pharmaceutical industries. It can monitor trace substances in air, water and animal tissue, identify active ingredients in products and their concentrations, and prepare large independent dossiers of tests of product approvals and monitoring. This work is vital to ensure product safety, to limit damage to the environment and to help companies produce innovative new products and treatments.

The company has strong links with our local University at Reading. Some of the younger staff are also working on degree courses at the university, and some of the more senior people are Reading graduates and postgraduates who have specialised in relevant subjects.

The company works for a wide range of global businesses. It seeks to maintain high levels of accuracy and independence, as it needs to do to satisfy its own standards and its Regulator. It has grown steadily over the last three decades from its Wokingham home base. I wish the staff and the owners every success with their venture.

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## Talks about trade

I have in the past said trade talks between the UK and the EU could be relatively short and straight forward. I have never said they would be. I have always acknowledged that if the EU wants to make them long and complex they can do so.

The first question the UK must ask when the talks begin is the simple one. Does the EU want a comprehensive free trade Agreement with us or not?

If the answer is yes, we can get on with translating our current tariff free arrangements on goods into a WTO registerable Free Trade Agreement, along with the access methods for service covered by current EU arrangements. This is largely a scissors and paste job, ensuring continuity of trade. As I understand it the UK is happy to offer this.

If the answer is No, then the UK needs to ask the second question. What new tariffs and barriers does the EU wish to impose on our exports to them, given that we will likely impose identical barriers on their exports to us?

If we take goods, the EU could if it wishes impose the same tariffs on our goods and food exports as they do to other non EU countries under WTO rules which govern us both. This would mean they would face high tariffs on their large farm exports to us, where they run a £20 bn surplus. We have a year to source alternative cheaper food from around the world and for our farms to gear up to produce more at home behind the tariff wall. If the EU for example wants a high tariff on meat there are plenty of other suppliers who would like to sell us more.

There is then the question of what impediments they would want to place on services. They have never completed a proper single market in services. There are still many national regulatory, language and qualification barriers around. The UK allows considerable access to its markets that helps continental business.

If the EU wanted zero tariffs on goods but more restrictions on services the UK could say it sees a trade off between the two.

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## Loddon carols and Christmas music concert

Christmas always gets a big boost at the Loddon concert. The primary school choirs from the Borough excelled themselves, singing with great enthusiasm a number of much loved carols and Christmas songs. They belted out the Philippine carol with particular force and verve.

The Berkshire Maestros provided excellent musical accompaniment. They delivered their performances of Leroy Anderson's Sleigh Ride and his Christmas Festival medley with skill, in a most entertaining way. Grazeley, Crazies Hill and Shinfield schools added a performance on recorders and hand chimes.

I thank all the teachers who trained the choirs, the conductor James Baker who brought it altogether, the performers, and the parents who supported their children. It was a great evening, much enjoyed by a packed hall.

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## Buying your own home

On Friday I met a number of young professionals in the constituency who wanted to talk to me about opportunities to buy a home of their own.

They all reported difficulty with current house prices in the Wokingham area, and wanted to know what more could be done to make homes more affordable. One had recently succeeded in buying a property but was still concerned about this issue.

I explained that the government has produced two schemes to help directly with raising the money to buy. The Help to Buy Isa provides a £3000 top up to savings of £12000 in an Isa to speed up saving for purchase. The Help to buy equity loan offers up to 20% of the price a first home to pay the deposit, where the buyer has the other 5% of the house price as savings to complete the 25% deposit requirement. The price of a home is limited to £600,000 in England for this scheme, which is well above the price of the typical first home.

The government has now removed Stamp duty on most first time buyer properties, and is working with Councils and the development industry to see that a suitable number of lower priced properties form part of the mix of new homes being built.

I am keen to find other ways that Councils and the government can assist in making more affordable housing available for first time buyers. As my meeting confirmed there is substantial pent up demand, as the wish to own remains strong in the younger generation as with their parents. Those with access to the well funded banks of Mum and Dad usually do get on with house purchase in their twenties. The government wants those without this advantage to be able to do the same.

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## [The Joint Report on the negotiations so far](#)

The Report opens by stressing that both sides are pledged to the view that nothing is agreed until everything is agreed. The Report acknowledges that the detailed draft agreement on citizens rights and on a financial settlement are without prejudice to an agreement on a future relationship. The Prime Minister has stated that the payment of any money other than our contributions up to leaving date are contingent on a wider Agreement.

The UK has won some of the important arguments over citizens rights. It is important that EU citizens living in the UK are under UK law, just as UK citizens living in the rest of the EU will clearly remain under EU law. The UK has sought to avoid a situation where EU citizens living in the UK enjoy a special status which is governed by EU law and the European Court of Justice. There will be further debate about whether an eight year right for UK courts to seek guidance on EU law in this field dilutes the UK jurisdiction too much. The UK side stresses that individual cases over citizens rights in the UK will be governed by UK law and adjudicated by UK courts.

The complex clauses on the financial settlement do not set out detailed numbers or precise programmes. The main extra cost appears to be accepting the Union budget for 2019 and 2020 after we have left. Presumably this is envisaged as a transition period which still has to be defined and negotiated in subsequent exchanges. People will want to know what such UK generosity achieves in terms of the future relationship. The Prime Minister has previously made clear that there only need be a transition period if there is a good Agreement to transit to. The UK has made some general statements on so called RAL or financial items after 2020, and on contingent liabilities. It will need greater clarity of what these are and why the UK might make some ex gratia contribution, as there seems to be no legal liability for these sums.

The wording on Northern Ireland and the border with the Republic is general and about principles. It will fall to later talks to work out how the "detailed arrangements" will work. This, as the UK has often pointed out, needs decisions on the general arrangements for UK trade with the EU before anyone can finalise the border arrangements. There will be considerable debate about the meaning of this statement "In the absence of agreed solutions the UK will maintain full alignment with the rules of the internal market and customs union which now or in the future support North-south co-operation, the all island economy and the protection of the 1998 Agreement"