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16 July 2018**

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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Monday 16 July 2018**

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# HER MAJESTY'S GOVERNMENT

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(FORMED BY THE RT HON. THERESA MAY, MP, JUNE 2017)

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## OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-SEVENTH PARLIAMENT OF THE  
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND  
[WHICH OPENED 13 JUNE 2017]

SIXTY-SEVENTH YEAR OF THE REIGN OF  
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 645

TWENTIETH VOLUME OF SESSION 2017-2019

### House of Commons

*Monday 16 July 2018*

*The House met at half-past Two o'clock*

#### PRAYERS

[MR SPEAKER *in the Chair*]

### Oral Answers to Questions

#### HOME DEPARTMENT

*The Secretary of State was asked—*  
**British Citizenship Fees: Children**

2. **Tim Farron** (Westmorland and Lonsdale) (LD):  
What assessment he has made of trends in the level of  
fees his Department charges for registering children as  
British citizens. [906451]

**The Secretary of State for the Home Department**  
(**Sajid Javid**): The Home Office sets fees for border,  
immigration and nationality services at a level that  
ensures that they make a substantial contribution to the  
cost of running the immigration system, thereby reducing  
the burden on the UK taxpayer. Although the economic  
impact assessments that are published alongside  
immigration fees legislation do not separately consider  
child-registration fees, they show the impact of fee  
increases on the volume of applications to be minimal.

**Tim Farron**: The Home Office charges more than  
£1,000 for children—including children who were born  
here and those who moved in infancy—to register as

British citizens. Is this not profiteering at the expense of  
young people who seek to pledge their future to Britain?  
Is this not another Windrush scandal in the making,  
with people not getting the documents now that officials  
will rely on in future? The Home Secretary knows that  
he faces a legal challenge on this issue, so will he do the  
right thing and end these excessive charges now?

**Sajid Javid**: I will not speak about the legal case, for  
obvious reasons, but I have to disagree with the hon.  
Gentleman. It is right that there is a balance between  
the costs faced by the individuals who make applications  
and those faced by the taxpayer. It is sensible to keep  
those costs under review, and it is right that Parliament  
makes the decision on whether costs are changed.

23. [906472] **Patrick Grady** (Glasgow North) (SNP): Is  
the Home Secretary really proud of making more than  
£100 million of profit for the Home Office in the past  
five years from these charges? Given that the number of  
applications is going down while fees are going up, is he  
absolutely certain that the fee is having no implications  
for people's decisions on whether to apply for  
citizenship?

**Sajid Javid**: The hon. Gentleman talks of it as profit,  
but the revenue generated is used not just to provide  
public services to those people who make applications  
but to support wider public services. As I said, it is right  
that we have a balance between the costs of an application  
and the costs to which the taxpayer is exposed.

#### UK Visas and Immigration

3. **Rosie Cooper** (West Lancashire) (Lab): What recent  
assessment he has made of the performance of UK  
Visas and Immigration against its target times for responses  
to members of the public. [906452]

**The Minister for Immigration (Caroline Nokes)**: The  
UKVI contact centre has set contractual targets for the  
commercial partner that delivers contact-centre services  
on its behalf. The achievement of those targets is monitored

daily through the service-management team, to assure achievement. The team holds formal board review meetings monthly to review performance against the set key performance indicators.

**Rosie Cooper:** Is the Minister satisfied with the current target times and does she think they are appropriate? My constituent made an application in November 2017 and has not heard a single thing since—nothing.

**Caroline Nokes:** It is important to note that service standards are met in the vast majority of cases. If applications are not straightforward, we do not set a service standard, because we think it is right that applications should be considered thoroughly and in detail.

**Mr John Whittingdale (Maldon) (Con):** Is my right hon. Friend aware of the chorus of complaints from countries such as Moldova, Ukraine and Georgia, where businessmen who want to come to do trade deals with us—indeed, in some cases Members of Parliament or Government Ministers from those countries—are facing lengthy delays in obtaining visas, and in some cases outright refusal? Will she have another look at the issue? It is doing real damage to our relations with those countries.

**Caroline Nokes:** UKVI issues 2.7 million visas every single year and, as I said, the vast majority are done within our service standards. I am happy to look into my right hon. Friend's point, because in a Britain that is outward-looking, global and open for business, it is important that visas are issued efficiently.

**David Linden (Glasgow East) (SNP):** The Home Affairs Committee report on Home Office delivery of Brexit found that a lack of experience among staff resulted in life-changing consequences. What is the Department doing to improve the recruitment and retention of staff to make sure that, while targets are met, the quality of decision making is still ensured?

**Caroline Nokes:** The quality of decision making is of course important. We work closely with our caseworkers to make sure that they have the right level of training. In many instances, we sit senior caseworkers with those who are more junior, until such time as they can be confident in the decisions that they make.

**Sir David Evennett (Bexleyheath and Crayford) (Con):** Will my right hon. Friend reassure me that UKVI has the resources it needs to be effective and efficient?

**Caroline Nokes:** There is of course a mixture of resources. As we heard from my right hon. Friend the Home Secretary, the fees that are levied for the UKVI service make a contribution towards the cost of that service and towards the wider border costs in general. It is important that we have the right number of staff and that they work efficiently, and we are taking steps to ensure that that is the case.

**Ms Diane Abbott (Hackney North and Stoke Newington) (Lab):** Is the Minister aware that delays in responding are one of the biggest problems for the public, for business and for Members of Parliament trying to help their constituents? I have innumerable such cases, including that of Ms Rettie Grace Downer, who submitted an

application for further leave in 2005 and whose application is still outstanding 13 years later. Does she recognise the danger of sounding complacent on this issue, and what will she do to further bear down on these unacceptable delays?

**Caroline Nokes:** Although I cannot comment on individual cases, the right hon. Lady has, of course, pointed to a case that was started in 2005 under a previous Labour Administration. I am sure that she will be pleased to hear—*[Interruption.]* She can shout at me from a sedentary position, but I am sure that she will be pleased to hear that, at a recent away day for border and immigration staff, I made it very clear that one of my highest priorities is making sure that responses to Members of Parliament and the public are of the highest priority so that we see prompt responses.

### Knife Crime

4. **Colin Clark (Gordon) (Con):** What recent steps he is taking to tackle knife crime. [906453]

**The Secretary of State for the Home Department (Sajid Javid):** The Government are very concerned about the increase in knife crime and the devastating impact that it has on victims, their families and communities. That is why we published a serious violence strategy in April, setting out action to tackle knife crime, including new legislation in the Offensive Weapons Bill, the launch of the £1 million community fund and continuing police action under Operation Sceptre.

**Colin Clark:** I welcome the Offensive Weapons Bill, which will put tough legislation in place and make it harder than ever before for people to get dangerous weapons. Will my right hon. Friend reassure my constituents that banning the delivery of bladed articles to residential addresses will not prevent the legal pursuits of tradesmen and hobbyists?

**Sajid Javid:** I thank my hon. Friend for that. I am happy to confirm that the Bill provides defences for a number of items that otherwise would be prohibited, especially those that otherwise would have been delivered to a residential address. This includes bespoke knives and bladed products and those that might be used in re-enactment activities. I can assure him that he will still be allowed to toss the caber in the Highland games.

**Mr Speaker:** I am sure that that is greatly reassuring for the hon. Gentleman.

**Vicky Foxcroft (Lewisham, Deptford) (Lab):** This Wednesday, the Youth Violence Commission will publish its interim policy report. Last year, knife crime increased by 22% and, in London, we have had another tragic spate of stabbings over the weekend. We must urgently seek long-term solutions. Will the Secretary of State commit to engaging with the recommendations of the cross-party Youth Violence Commission?

**Sajid Javid:** First, the hon. Lady is absolutely right to raise this issue. I can assure her that we are doing everything we can working not just across parties, but with a number of groups that have a lot to contribute. We have already made a commitment to work with the all-party parliamentary group. The Under-Secretary of

State for the Home Department, my hon. Friend the Member for Louth and Horncastle (Victoria Atkins), is doing just that, and we are very happy to listen to its suggestions.

**Sir Oliver Heald** (North East Hertfordshire) (Con): My right hon. Friend will be aware that, often in restraining suspects with knives, service animals such as police dogs are injured. It is very welcome that the Government are supporting my private Member's Bill, the Animal Welfare (Service Animals) Bill, but does he agree that the recent consultation by the Secretary of State for the Environment is also an important step forward in trying to increase the sentence so that this sort of knife crime is really put down?

**Sajid Javid:** I very much agree with my right hon. and learned Friend. I would like to see an increase in sentencing for those who engage in terrible cruelty to animals. May I also take this opportunity to thank him for his Bill and say that we are very happy to support it?

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I am sure that the Home Secretary does not want to trivialise this issue, but the fact of the matter is that the real concern—the deep roots of this issue—is very often the emergence of gangs in all of our towns and cities and in our schools. What will we do to combat not just knife crime, but the gangs that seem to promote it?

**Sajid Javid:** Again, this is an important issue in this debate. There is a lot more that we can do both in Government and in working with other organisations, including community organisations, especially in terms of early intervention and prevention. The funding that was allocated, such as the £11 million on early intervention and youth grants, will make a difference as will the new national centre to co-ordinate action based on county lines.

**Philip Davies** (Shipley) (Con): I wonder whether the Home Secretary has decided to accept the suggested amendments that I made on Second Reading of the Offensive Weapons Bill, not least the one where, currently, the offence of threatening somebody with a knife applies only to public places. Does he agree that the offence of threatening with a knife should apply to everywhere it is done, including in private places as well?

**Sajid Javid:** I remember that debate very well. I thought that my hon. Friend made a thoughtful and valuable contribution. I listened carefully to the suggestion he made then, which is why I am considering it.

**Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD): The law governing what type of knife people can buy across the counter in Scotland is different from the law in England, yet a knife can kill regardless of whether it is English or Scottish. What discussions has the Home Secretary had with the Scottish Government with a view to bringing these laws more into line?

**Sajid Javid:** We have been having extensive discussions with the Government in Scotland, and they have indicated that they will be supporting the measures in the Bill through a legislative consent motion.

**Nick Thomas-Symonds** (Torfaen) (Lab): Knife crime is often associated with county lines. I asked the Security Minister at a recent Home Office questions how the national county lines co-ordination centre was to be funded and was told that it would be through the police transformation fund. I then received a letter saying that “it does not come from the Police Transformation Fund...and I apologise if this is the impression given.”

But the same letter says that

“projects and programmes funded through the PTF will support the strategy's aims.”

So how are the Government funding their anti-county lines programme? Is it all from new resources or not?

**Sajid Javid:** First, I hope that the hon. Gentleman recognises the importance of dealing with the whole issue of county lines and welcomes the new co-ordination centre. It will be funded through the commitment of £40 million into the serious violence strategy, and the centre's funding specifically will be £3.6 million over the next two years.

### Immigration: Skilled Workers

5. **Helen Whately** (Faversham and Mid Kent) (Con): What steps he is taking to ensure that the immigration system facilitates the hiring of sufficient skilled migrant workers for the UK's needs. [906454]

11. **Mr William Wragg** (Hazel Grove) (Con): What steps he is taking to ensure that the immigration system facilitates the hiring of sufficient skilled migrant workers for the UK's needs. [906460]

13. **John Howell** (Henley) (Con): What steps he is taking to ensure that the immigration system facilitates the hiring of sufficient skilled migrant workers for the UK's needs. [906462]

**The Secretary of State for the Home Department (Sajid Javid):** The Government are committed to an immigration system that operates in the national interest and ensures that businesses can attract the talented migrants that they need. From 6 July, we removed all doctors' and nurses' posts from the yearly cap of 20,700 places, ensuring that the NHS is able to recruit the clinical staff that it needs.

**Helen Whately:** The hot weather means that apples and pears may be ready to harvest early this year, as was the case last year when growers in my constituency struggled to harvest their crops. Will my right hon. Friend update me on the prospects for a seasonal agricultural workers scheme to ensure that farmers have the workforce that they need to harvest British fruit and vegetables?

**Sajid Javid:** I am very sympathetic to the issue that my hon. Friend has raised. As we design our future immigration system, I want to ensure that it takes into account the seasonal demand for labour not only in agriculture, but also perhaps in hospitality. That is why we have asked the independent Migration Advisory Committee to look at this issue. We will see what we can do when the committee reports back.

**Mr Wragg:** My right hon. Friend is absolutely right to support a better controlled and fairer migration policy. I wonder whether he can tell me when the long-delayed White Paper on the subject will be published, so that the public know that we are taking it seriously.

**Sajid Javid:** I know that my hon. Friend will agree that it is fantastic that we will now have an opportunity—for the first time in decades—to design our own immigration system. We should take that seriously, as we are. It will be led by the White Paper, which will come out soon after the summer recess, and an immigration Bill that will make all the changes that are recommended and debated in Parliament.

**John Howell:** I am glad that doctors and nurses have been excluded from the cap on skilled workers, which will free up many additional places for other highly-skilled occupations. Will my right hon. Friend give an assessment of how these regulations have worked since they have come into force?

**Sajid Javid:** I thank my hon. Friend for welcoming the changes and for his support. It is a bit too early to give an assessment, since the changes only came into play on 6 July. Like my hon. Friend, I am confident that they will not only help to provide some of the high skills that our economy needs, but will actually go on to create jobs.

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Ministry of Justice figures show that half of immigration cases that go to appeal in England and Wales are overturned. Does the Secretary of State agree that the situation needs urgent attention and that those flaws need to be addressed before the European citizens who are in the UK have to apply for settled status?

**Sajid Javid:** The hon. Gentleman will know that we get tens of thousands of applications each year. Unfortunately, in many cases not all the information that is asked for is provided in the first instance. Officials will chase that up, and they will do so in a way that is as helpful as possible. If people want their application to be looked at in a timely manner, it is always helpful if all information is provided up front.

**Dr David Drew** (Stroud) (Lab/Co-op): We have had numerous debates and countless questions on this issue. Is it not about time that the Home Office got together with the Department for Environment, Food and Rural Affairs and sorted this problem out? It is estimated that last year we ploughed back into the ground about 10% of our fruit and vegetables: what is it going to be this year?

**Sajid Javid:** I can assure the hon. Gentleman that the Home Office works very closely with DEFRA, as with other Departments, on issues affecting migration. With regard to making sure that we have the talent and skills we need for our agricultural sector, working with DEFRA is exactly what we are doing.

**Joanna Cherry** (Edinburgh South West) (SNP): Scotland needs more than those termed “skilled” under the immigration rules. The continued availability of workers from other EU countries is vital to employers across the Scottish economy. Is not the comprehensive economic and trade agreement-style mobility framework suggested in last week’s White Paper a recipe for disaster for employers other than London-based multinationals?

**Sajid Javid:** No, it is not.

**Joanna Cherry:** Maintaining and increasing Scotland’s working-age population is vital for Scotland’s continued economic prosperity. Last week’s White Paper says that the UK Government will design a mobility framework that works for all parts of the United Kingdom. When is the Home Secretary going to meet his Scottish Government counterparts and engage in how the future immigration policy will impact on Scotland?

**Sajid Javid:** I am sure that the hon. and learned Lady agrees that we want an immigration system that serves the national interest—that brings immigration down to sustainable levels but also gives the skills that we need for the entire UK, of course including Scotland. My right hon. Friend the Immigration Minister is planning to visit Scotland this summer to meet Ministers.

**John Redwood** (Wokingham) (Con): I am glad that my right hon. Friend is working on a new UK-based migration policy to hit the Government’s targets. Does he accept that we might need this as early as 30 March next year if we leave without an agreement?

**Sajid Javid:** As always, my right hon. Friend makes a very important point. While we are working on the basis that we will not need it as early as 30 March, he is absolutely right to point out that we should be prepared for all eventualities, and that is exactly what we are doing.

### Firefighter Training

**6. Jo Platt** (Leigh) (Lab/Co-op): What recent assessment he has made of the effect of changes to fire services’ staffing levels on the capacity of those services to deliver firefighter training. [906455]

**The Minister for Policing and the Fire Service (Mr Nick Hurd):** It is extremely important that every firefighter receives the right level of training for the very demanding work that they do. The new national framework makes a requirement for every single fire service to have a strategy, as all 45 do, and now independent inspection will help us to get a better view of what good looks like and where training is not good enough.

**Jo Platt:** Across Greater Manchester in the past year we have seen a 31% increase in the number of special service calls to our fire service, including many calls to reports of cardiac arrests. This is placing an enormous strain on our talented and dedicated firefighters. What will the Government be doing to resource fire services to provide the support and training needed to cope with this additional pressure?

**Mr Hurd:** With respect to the hon. Lady, I do not think it is an issue of resources, because fire budgets have been held flat in cash terms despite a backdrop of a 50% fall in fires over the past decade. The fire system has found the flexibility in its budgets to move over a quarter of a billion pounds-worth of taxpayers’ money into research. However, it is absolutely important in this next phase that we have a better understanding of how consistent good training is across the system.

**Mr Philip Hollobone** (Kettering) (Con): Firefighter staffing in Northamptonshire will soon be the responsibility of the new combined police and fire commissioner. Will the Minister work with the Ministry of Housing, Communities and Local Government to ensure that Northamptonshire County Council, which currently governs the fire service, hands over to the commissioner the correct financial resources to get the new organisation off to a good start?

**Mr Hurd:** The short answer is yes. My hon. Friend and I both understand the historical context to this and some of the difficulties and complexities. I am sure that the council will want to co-operate fully with the new arrangements.

**Karen Lee** (Lincoln) (Lab): Firefighter Michael Dowden told the Grenfell inquiry that he had not received any familiarisation training before his inspection of Grenfell Tower in 2016. With cuts to 11,000 fire service jobs, station closures and privatisation of training delivery, our overstretched fire services—despite the Minister's usual comments about resources—are struggling to complete the training they need. With all this in mind, what specific measures is he taking to ensure that fire services have the capacity to deliver the training that our firefighters need to keep both themselves and our communities safe?

**Mr Hurd:** It is the responsibility of each fire chief to ensure that their local teams are properly trained. They have the resources to do that, as I made clear in my earlier answer.

### Immigration and Nationality: Fees

7. **Chris Stephens** (Glasgow South West) (SNP): Whether he plans to change the fees for immigration and nationality applications; and if he will make a statement. [906456]

**The Minister for Immigration (Caroline Nokes):** The Home Office reviews all immigration and nationality fees annually, with any changes normally implemented in April each year. We currently have no agreed plans to change fee levels, but the process for considering whether any changes are necessary commences in the summer and parliamentary approval has to be gained before any changes are made.

**Chris Stephens:** The Minister will be aware that immigration fees for limited leave to remain have increased by 79% in four years to £1,033 per person, with no reduction for children. Does she appreciate that the cost can be crippling for families with a number of children going through that process, and will she at the very least look at reducing fees for children so that they cover processing alone?

**Caroline Nokes:** I thank the hon. Gentleman for his question. I am of course alive to the points made at recent Home Affairs Committee meetings and in the recent Lords debate on child citizenship fees. In due course, I will also consider the findings of the scheduled review by the independent chief inspector of borders and immigration.

**Charlie Elphicke** (Dover) (Ind): Will immigration fees and policy be changed after we leave the European Union so that we seek the brightest and best from around the world without fear or favour, be they from India, China, America or, indeed, the European Union?

**Caroline Nokes:** I thank my hon. Friend for his question. He will of course have heard me say that fees are reviewed annually, and we will continue with that policy. He is right, however, to point out that we will still seek to attract the brightest and best, and our future immigration Bill will set out exactly how we intend to do that.

**Siobhain McDonagh** (Mitcham and Morden) (Lab): Does the Minister agree with Mark Thomson, the director general of UK Visas and Immigration, who said at a recent MPs' casework meeting that those who pay for premium services but do not get their visas on the same day should have their fees returned to them?

**Caroline Nokes:** I was not present at that meeting, so I cannot comment on that specific case, but I am very conscious that Her Majesty's Passport Office and UKVI work very hard to ensure that we deliver within service standards. Where fees are looked at and there is a genuine case for a refund, we do make refunds.

**Tim Loughton** (East Worthing and Shoreham) (Con): The Home Affairs Committee's recent report on the Windrush scandal shows that the whole immigration and nationality application service is hugely complicated, very bureaucratic and needs completely overhauling and streamlining, and that fees bear no relationship to the service's efficiency or cost. Will the Minister guarantee that the additional costs of sorting out the Windrush scandal will not be used as an excuse, under full cost recovery, to jack up fees yet further?

**Caroline Nokes:** Of course, the lessons learned review that is commencing into Windrush will be an important opportunity for us to review all practices across UKVI and ensure that such an appalling scandal cannot happen again. My hon. Friend will have heard comments about reviews of fees, which happen annually, but I point out that we passed primary legislation in 2014 that allows the Home Office to charge fees that not only recover the cost of individual applications but contribute to the whole borders and immigration system, thus helping to secure our borders and ensure that we are safe.

### Immigration Detention: Children

8. **Mary Creagh** (Wakefield) (Lab): What his policy is on the treatment of children whose parents are under immigration detention. [906457]

**The Minister for Immigration (Caroline Nokes):** The welfare and safeguarding of children is at the heart of the family returns process, and our policy is clear that we do all we can to keep families together. Other than in exceptional circumstances, a child will not be separated from both parents for immigration purposes. Detention is used sparingly, for the purposes of public protection and removal. We encourage those with no right to remain in the UK to leave voluntarily, and all detainees have the right to bail, which is decided by a judge.

**Mary Creagh:** Despite compelling evidence of the harm caused to children by the indefinite detention of their parents, the Home Office continues to separate them in an arbitrary and cruel manner, but its replies to my questions show that it has no idea how many children are currently separated. The Department paid £50,000 in compensation after a three-year-old girl was

unlawfully separated from her father, who was placed in immigration detention. She was reunited with him just days before she was due to be placed for adoption. What is the Minister doing to get a grip on the situation, stop this unlawful practice, tell us how many children are affected and reunite them with their families?

**Caroline Nokes:** In the case raised by the hon. Lady, the Home Office acknowledged its mistakes and indeed paid compensation. It is worth remembering that more than 1,000 children went into detention in 2009, whereas only 44 did so in the last year for which figures are available. The Home Office has taken significant steps to ensure that children are not detained with their parents, and they can be in an immigration removal centre only when they can be removed within 72 hours.

**Neil Gray (Airdrie and Shotts) (SNP):** This year, Bail for Immigration Detainees has represented 155 parents separated from their children while in immigration detention, yet the Prime Minister states that that is not the Government's practice. Can the Minister condemn the practice and finally stop it?

**Caroline Nokes:** There is clear and published guidance on how a family unit may be defined, and on the separation of individuals from their family group for immigration reasons. Cases may involve pre-existing separation of family units for non-immigration reasons. For instance, in the case of foreign criminals, children might already have been taken into care when the individual received a custodial sentence.

**Afzal Khan (Manchester, Gorton) (Lab):** The Prime Minister has condemned Trump's family separation policy, but this Government's hostile environment separates parents from their children every day. As my hon. Friend the Member for Wakefield (Mary Creagh) pointed out, last week the Home Office was forced to pay £40,000 in damages for falsely imprisoning a father, unlawfully separating him from his daughter for three months. The Home Office failed at every stage of the process. The Home Secretary has said that he will pause the hostile environment, but immigration detention is a key part of it. Will the Government look again at indefinite detention, and at the use of detention more widely, and publish the Shaw review in good time for us to examine it before the summer recess?

**Caroline Nokes:** The hon. Gentleman will have heard me say that some cases might involve pre-existing separation. As I have highlighted, back in 2009 there were more than 1,000 children in detention, and that number has now been reduced to 44. The Home Office has acknowledged the mistakes that were made in the case he mentioned, but it is important to reflect on the role that detention plays in ensuring that those who have no right to be here and no right to our public services are removed in a timely manner.

### Police Officer Numbers

9. **Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab):** What recent assessment he has made of the effect of changes in the number of police officers on the level of serious crime. [906458]

12. **Mohammad Yasin (Bedford) (Lab):** What recent assessment he has made of the effect of changes in the number of police officers on the level of serious crime. [906461]

**The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins):** In April, we published our serious violence strategy, which sets out a range of factors driving increases in violent crime. Our analysis shows that changes in the drugs market are a major factor behind the recent increases in serious violence.

**Gill Furniss:** South Yorkshire police have seen their budget reduce by £66 million in real terms since 2010, and they expect more to come. In Sheffield, knife crime has increased by 41% over the past year. Does the Minister agree that reducing police numbers has a direct effect on this staggering upward trend in violent crime, which has led to many tragic deaths and left many families grieving?

**Victoria Atkins:** I thank the hon. Lady for that question. She will know that the South Yorkshire constabulary is receiving an extra £5 million this year and that the Government have protected police funding since 2015. Indeed, police constabularies across the country will see up to £460 million more in funding with the help of police and crime commissioners. Serious violence has to be tackled as part of a national strategy, which is exactly what we have set out.

**Mohammad Yasin:** Bedfordshire police are under unprecedented pressure: violent crime is up; they face the third largest terrorist threat in the country; and they have had to support the visit of President Trump and deal with an increase in mental health cases. Can the Secretary of State explain how the police can keep the people of Bedford safe when they do not have the resources to attend 999 calls?

**Victoria Atkins:** I am sure that my right hon. Friend the Home Secretary would agree with me that the way in which Bedfordshire is kept safe is through the excellent work of its police officers and its Conservative police and crime commissioner, who has managed to increase officer numbers in her constabulary by 6.5% over the past year.

**Sir Edward Davey (Kingston and Surbiton) (LD):** Has the Minister read the evidence produced by the Home Office for the serious violence strategy, which shows that it is highly likely that police cuts have contributed to the rise in violent crime? If she has not, will she publish it?

**Victoria Atkins:** This rather demonstrates the difference between this Government and the right hon. Gentleman's party. We are concerned with answering the question that the public ask us: how can we make our country safer? We have taken a cold, hard look at the rise in serious violence, and we have drawn together, from a range of parties, including the police, healthcare providers, schools and so on, the serious violence strategy, and it is through that strategy, with the help of those providers, that we will tackle this issue.

**Louise Haigh** (Sheffield, Heeley) (Lab): Today, the *Daily Mail* published the results of an exclusive survey, which showed that 57% of people say that police officers have surrendered control of our neighbourhoods and criminals have no fear of being caught; a quarter of people do not feel safe going out at night; and more than half of respondents who reported a crime did not have a police officer attend. Does the Minister accept any responsibility for those figures, or does the Home Office still labour under the dangerous delusion that its cuts have not affected community safety?

**Victoria Atkins:** I gently remind the hon. Lady that the Government have provided £460 million in additional funding for the police this year, which I understand she voted against. Again, we have to look at this as a strategy. The problem cannot be solved by police officers alone, vital though they are. Early intervention and tackling young people before they get dragged into criminality are key, and I hope that the Labour party will support the Offensive Weapons Bill, which gives the police the powers they need.

#### Air Weapons Review

10. **Karin Smyth** (Bristol South) (Lab): What the timetable is for the publication of his Department's response to its air weapons review of October 2017. [906459]

**The Minister for Policing and the Fire Service (Mr Nick Hurd):** Our review of air weapons regulations received about 50,000 representations. We are just finalising our consideration of those and my intention is to publish our conclusions as soon as possible after the summer recess.

**Karin Smyth:** The hallmark of this Question Time is delay. The review was announced in response to my Adjournment debate last October, following the shooting of 18-month-old Harry Studley in my constituency. The family submitted a response on 5 February, which was acknowledged on 22 February. Already, almost five months have passed and they have had nothing in return. Such a delay is insensitive and unacceptable to victims of such crimes. What assurance can the Minister give the Studley family that, over the next few months, they will be treated with more respect by the review?

**Mr Hurd:** I assure the hon. Lady that it is not a question of respect. I know how strongly she feels about the matter, not least on behalf of the Studley family. She knows that the review was in response to a recommendation by the coroner in another case. She also knows that the issue divides opinion and that many people have strong views about it. I hope that she agrees that the most important thing is to get this raised. Once we have finalised what we are going to do, I will be happy to sit down with her and discuss it.

**Dame Cheryl Gillan** (Chesham and Amersham) (Con): The targets for those who use air weapons are not only people. Last year, the RSPCA had 900 calls about attacks on animals. Is the Minister considering increasing the penalties for people who are caught and convicted of that heinous crime?

**Mr Hurd:** I assure my right hon. Friend that we are looking at all our options on a spectrum. We have a set of regulations on the use of airguns, but we are considering how we can strengthen them in a proportionate way that gives greater protection particularly to children and, to answer my right hon. Friend's point, animals, which are often the victims of those guns.

#### British Passport Fraud

14. **Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): What steps he is taking to tackle the fraudulent use and sale of British passports. [906463]

**The Minister for Security and Economic Crime (Mr Ben Wallace):** The Home Office shares reports of the loss or theft of UK passports via Interpol to prevent the illegal crossing of borders. We also work closely with partners here and overseas to share information and intelligence on that threat and the websites that purport to sell false and genuine documents for criminal purposes.

**Stephen Doughty:** There have been some very worrying reports in the past month that British passports have been stolen and sold for large sums of money in countries around Europe. How many passports have been stolen and subsequently suspended in the past year? Does the Minister agree that it is crucial to co-operate through Europol as well as Interpol to ensure that those stolen identity documents are not used?

**Mr Wallace:** In 2017, less than 1% of passports were reported stolen, but to tackle the threat and the abuse of stolen passports overseas, we have based immigration enforcement officials at international locations—embassies, high commissions and key transit points—to work not only with law enforcement to try to catch the people committing the fraud, but with airlines and border points so that they can spot what a false passport looks like.

**Douglas Ross** (Moray) (Con): The Home Office has confirmed that it takes on average 73 days for people to report lost and stolen passports and that many countries do not regularly use Interpol's stolen and lost travel documents database to check lost and stolen passports. What are the Government doing to encourage the true utilisation of both methods to stop the illegal trade of those documents?

**Mr Wallace:** My hon. Friend makes an important point, which is why in 2014 the Passport Office introduced an online tool for reporting. Since then, the number of passports lost has increased annually by 33%, so it is much easier to ensure they are reported and then picked up when being used.

#### Immigration Refusal and Deportation

15. **Gordon Henderson** (Sittingbourne and Sheppey) (Con): What his Department's target is for the length of time between a person's immigration application being refused and their being deported from the UK. [906464]

**The Minister for Immigration (Caroline Nokes):** There is no set time, as each case progresses on its own merits. Wherever possible, we afford people the opportunity to arrange a voluntary return to their country of origin. If

someone does not comply with our directions to leave the UK, we will pursue an enforced removal. Again, timescales will depend on individual circumstances.

**Gordon Henderson:** I am very grateful to my right hon. Friend for that response, but can she reassure me that the Department is balancing the need to tackle illegal immigration with the need to protect those who have migrated to Britain legally?

**Caroline Nokes:** My hon. Friend is of course absolutely right to point out how important it is that we distinguish between people who settle here legally and those who are here illegally. It is vital that the compliant environment protects vulnerable people and that appropriate safeguards are built into the measures. We remain committed to tackling illegal immigration and to encouraging compliance with our rules and laws.

**Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): This weekend, we learned of an Ethiopian asylum seeker who was removed even before his application had been decided, requiring a court to order his return here. How did that happen, and is it not now time to hand asylum decisions over to an independent body?

**Caroline Nokes:** The hon. Gentleman is absolutely wrong in the final part of his question. It is important that UK Visas and Immigration continues to work to establish people's right to be here on a fair and humane basis. The Home Office is absolutely committed to making sure that we consider each case on its own merits.

### Windrush Compensation

16. **Helen Hayes** (Dulwich and West Norwood) (Lab): What steps he is taking to provide compensation to Windrush migrants. [906465]

**The Secretary of State for the Home Department (Sajid Javid):** I am committed to establishing a compensation scheme as quickly and as carefully as possible to help address what has gone wrong. The design of the scheme is naturally complex. I am therefore determined that we get it right and that we properly listen to those affected before taking final decisions on the design.

**Helen Hayes:** The Windrush scandal and the Government's wider hostile environment policy have created an urgent need for independent advice for Windrush citizens seeking to confirm their status and access compensation. As there is no trust in the Home Office, the Black Cultural Archives in my constituency has for several months been running legal advice clinics for Windrush citizens, staffed by volunteer lawyers. They have seen hundreds of people and there remains unmet need. This essential work should not fall to volunteers. Does the Home Secretary recognise the need for independent advice from trusted organisations such as the Black Cultural Archives, and will he provide funding to enable independent advice to be available to everyone who needs it?

**Sajid Javid:** When I became Home Secretary, I said it was my first priority to help those affected by the Windrush situation. That is why one of the first things

we did was properly staff the taskforce, and over 100 officials now work on it, ensuring that people are listened to and that applications are processed quickly. More than 2,000 applications have already been processed, most of them in a single day. Last week, we announced that some 584 applications for citizenship have been granted. I think we are dealing with this appropriately. I am always happy to listen to fresh ideas, but I think this is being taken very seriously by the Government.

**Rebecca Pow** (Taunton Deane) (Con): A couple of months ago, I raised the issue of Raj Unalkat who was thrown out of Uganda and came to live in Taunton Deane for 40 years. As with the Windrush cases, he was welcomed to the UK but then told that he was going to be thrown out because he had no passport. Great news: today we have heard that he has got his passport. Will the Secretary of State join me in thanking everyone who helped and in praising our fast-track system, which is absolutely working? Will he work with me to try to get compensation for the work days Raj has missed?

**Mr Speaker:** Far too long!

**Sajid Javid:** I happily join my hon. Friend in welcoming that outcome. Of course mistakes are sometimes made in an organisation as big as the Home Office, with tens of thousands of applications to deal with each year, but it is appropriate that when mistakes are made they are corrected.

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): The Home Secretary's letter to the Select Committee on hardship issues appears to suggest that members of the Windrush generation have been asked to sign non-disclosure agreements to get financial help before the full compensation scheme comes in. Will he confirm whether that is the case? If so, how many people have been asked to do so? Does he agree that it would be shocking if people who have been wronged by the Home Office are now being gagged by the Home Office to get the hardship support they need?

**Sajid Javid:** Let me be very clear that we are in the process of designing a compensation scheme. There has already been a call for evidence, and I will shortly be launching a consultation. Its design is going to be overseen independently by Martin Forde QC, and there will be no question with respect to the compensation scheme—no one will be asked to sign any kind of non-disclosure agreement or anything like that.

### Asset Recovery Regime

17. **Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): What steps the Government are taking to confiscate money from criminals; and how he plans further to strengthen the asset recovery regime. [906466]

**The Minister for Security and Economic Crime (Mr Ben Wallace):** We have recovered £1.6 billion under the Proceeds of Crime Act 2002 since 2010 and frozen many hundreds of millions more. The Government are also implementing the recommendations made in the Public Accounts Committee report of 2016. Our asset recovery action plan, to be published shortly, sets out how we will strengthen the regime by making the best use of new and existing powers, improving operational systems and ensuring that efforts are targeted effectively.

**Dr Johnson:** I thank my right hon. Friend for his answer. Lincolnshire police have been working hard to reduce hare coursing. The removal of dogs has been the most effective deterrent, but kennelling costs are now running to tens of thousands of pounds for Lincolnshire police. Will he look at what can be done to ensure that these costs, too, can be recovered from the criminal, rather than being borne by the taxpayer?

**Mr Wallace:** Under the Proceeds of Crime Act, police and prosecutors have the power to recover either profit or money accrued by those criminals from those processes. When they take that money, under ARIS—the asset recovery incentivisation scheme—50% of it or more will be released back to law enforcement prosecutors so that they can invest.

### UK Visas and Immigration: Religious Literacy

18. **Sir Edward Leigh** (Gainsborough) (Con): What steps his Department is taking to improve religious literacy among UK Visas and Immigration staff. [906467]

**The Minister for Immigration (Caroline Nokes):** The UK Government value the role of faith in public life in the UK, and protecting religious freedom abroad is important, including in achieving the UK's vision of a more secure and prosperous United Kingdom with its overseas partners. Within UK Visas and Immigration asylum casework, we continue to engage a range of faith groups to improve our policy guidance and training provided to decision makers, so that we approach claims involving religious persecution and conversion to a particular faith in the appropriate way.

**Sir Edward Leigh:** Will the Minister set up a specialised unit in the Home Office so that we can have some religious literacy on this matter? Nuns and priests seeking to come from Iraq have been asked why they do not have a bank account, with officials seemingly unaware that they have made vows of poverty. A sister from Qaraqosh in Iraq is a perfect example: seeking to visit her sick sister, she was asked why she had not visited her since 2011. Officials were seemingly unaware that ISIS had forced her to flee from her convent and to flee for her life. Please may we have more religious literacy from our officials?

**Caroline Nokes:** When it comes to visitor visas, it is of course important that each case is decided on its own merits, but my hon. Friend makes an excellent point. I am very happy to work with him, so that there can be better training for visa caseworkers so that they understand the specific points he makes about those from religious communities who may have taken a particular vow of poverty.

**Helen Goodman** (Bishop Auckland) (Lab): The Minister was here for Prayers, so I am sure she will be able to answer the question asked of one of my constituents, whom the Home Office initially wanted to send back to a country where he was persecuted: how many books are there in the Old Testament?

**Caroline Nokes:** I very much regret that despite a good convent education we studied only the New Testament, and I simply do not know.

**Mr Speaker:** It was very useful nevertheless to learn about the Minister's educational journey, which she regales the House with in a candid spirit.

### Topical Questions

T1. [906475] **Stephen Timms** (East Ham) (Lab): If he will make a statement on his departmental responsibilities.

**The Secretary of State for the Home Department (Sajid Javid):** On Thursday, I was lucky enough to be invited to the Police Bravery Awards. The top award of the night went to PC Keith Palmer who was fatally stabbed outside Parliament and to PC Charlie Guenigault who ran towards three terrorists who attacked the public at London Bridge. The awards were a reminder of the courage and dedication of our emergency services, which we have also seen most recently in Salisbury and Amesbury. Across the UK, police acts of bravery, both big and small, take place every single day. I am sure that the House will want to join me in taking this opportunity to say thank you to our police officers for their extraordinary bravery, hard work and sacrifice.

**Stephen Timms:** I join the Home Secretary in those tributes. I asked the Immigration Minister in the House last week to offer students whose visas were cancelled for allegedly cheating in TOEIC—test of English for international communication—English tests a new secure test to see whether they can resume their studies. Her reply was:

"It is, of course, an issue that we are considering very carefully."—*[Official Report, 12 July 2018; Vol. 644, c. 1121.]*

Will she indicate to the House when she expects to reach a decision?

**Sajid Javid:** This is an important issue and I am glad that the right hon. Gentleman has raised it with the Immigration Minister. She is looking at it very carefully. She has asked for extra advice and expects to respond very shortly.

T2. [906476] **Robert Courts** (Witney) (Con): Declaring an interest as someone who used to prosecute for Oxfordshire trading standards, I know the immense distress caused to the elderly by rogue traders. Disturbing research suggests that up to 1 million people are on what are called "suckers lists" of people who are known to be vulnerable and are repeatedly visited. What are Ministers doing to ensure that banks and trading standards link up and can help those who are known to be vulnerable?

**The Minister for Security and Economic Crime (Mr Ben Wallace):** My hon. Friend asks an important question. We have set up the joint fraud taskforce, bringing trading standards and the private sector, including banks, on board, along with law enforcement agencies, to make sure we work together. For example, it has produced a banking protocol under which banks train till staff to spot vulnerable people being exploited. So far, that work has prevented £21 million from being taken out of bank accounts and led to 180 arrests.

**Carolyn Harris** (Swansea East) (Lab): Five months after the interim guidance on discretionary leave for victims of modern slavery, published in response to the

PK (Ghana) judgment, too many victims are still being left in limbo. Do we know how many victims have received temporary status or even know their status? When will the Government update their guidance and end this human Russian roulette?

**The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins):** The hon. Lady will know that the Government are looking to review and reform the Modern Slavery Act 2015, which is world leading, to ensure that its practices stay in track with the criminal gangs that support modern slavery. She will also know that we have announced substantial reforms to the national referral mechanism that I hope will address the points she has raised.

T3. [906477] **Mr Simon Clarke** (Middlesbrough South and East Cleveland) (Con): What preparations has the Department made for a Brexit on World Trade Organisation terms?

**Sajid Javid:** It has made significant preparations. We are looking at issues around security, borders and people. My right hon. Friend the Prime Minister was absolutely right to ask all Departments to step up preparations. It is the prudent thing to do—that is why we are doing it. We want to prepare for all outcomes. It is very important that we send a strong message to the European Union that, while we want a deal, we will not accept a bad deal.

T4. [906478] **Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): My constituent Duc Nguyen was a victim of human trafficking to the UK. Despite the Home Office recognising that fact, he was detained and sent to a detention centre at Heathrow. Luckily, he has now been released, but is it not against Home Office policy to detain victims of trafficking? If it is, will the Minister investigate this case to understand why it happened?

**The Minister for Immigration (Caroline Nokes):** The hon. Gentleman will be aware that when detention is being considered every case must now go through a single detention gatekeeper, but I will undertake to look very closely at the case he raises. Our adults at risk policy, which Stephen Shaw recently reviewed, will be part of the response that the Home Secretary will bring forward before the recess.

T6. [906480] **Mrs Sheryll Murray** (South East Cornwall) (Con): On Thursday, the Brexit Secretary, when discussing the number of people coming to our country post Brexit, said:

“we will assert stronger security checks at the border”—[*Official Report*, 12 July 2018; Vol. 644, c. 1157.]

What discussions and agreements have been made with the Irish Government to strengthen the common travel area in a similar way?

**Mr Wallace:** The common travel area was in existence long before the EU and all parties have agreed and signed up to continue those historical arrangements. In Northern Ireland, for example, we have always done checks in respect of immigration, customs and duty and, of course, simple criminal movement of individuals. That has always gone on and will always do so.

T5. [906479] **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): I have repeatedly raised with Ministers the shameful condition of the refugee accommodation provided in my constituency by Jomast. Now it is forcing vulnerable asylum seekers into shared rooms with people wholly unrelated to them—a victim of male trafficking forced to share with an older abusive man, for example. Will the Government take action to protect those who have suffered so much or give Newcastle City Council the ability to do so?

**Caroline Nokes:** I was very pleased to meet elected representatives and officials from Newcastle City Council last week, when we discussed dispersed asylum accommodation. The Home Office has worked closely with our providers to improve property standards over the lifetime of the current asylum accommodation contracts and ensure that they continue to provide accommodation that is safe, habitable, fit for purpose and adequately equipped. We will thoroughly investigate any reports of poor property standards.

T9. [906483] **Andrew Selous** (South West Bedfordshire) (Con): Last Wednesday, a lady had her handbag stolen in Dunstable late at night. Although the thief was apprehended by two doorkeepers from a nearby nightclub, no police were able to attend, so the thief got away. That is just one example of the impact of “damping” on the funding of Bedfordshire police, combined with the removal of a 24/7 first responder presence. Does the Minister agree that fresh thinking is needed on how areas such as central Bedfordshire are funded, so that they can regain the 24/7 first responder presence that they have lost?

**The Minister for Policing and the Fire Service (Mr Nick Hurd):** My hon. Friend and I have had many conversations, and I know how strongly he feels about the adequacy of policing in his constituency. He will be aware that a further £3 million has gone into Bedfordshire’s policing this year, so there is a conversation to be had about resources, but we need to ensure that the 2019-20 funding settlement and the next comprehensive spending review provide for our police forces—including Bedfordshire’s—to be properly resourced.

T7. [906481] **Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): Offshore wind projects such as Rampion, off the coast of my constituency, should provide an opportunity for good jobs in Britain, but the Home Office is continuing to provide immigration rule waivers to allow crews from outside the European economic area to work here. Why is the Home Office undermining good maritime jobs off our coast?

**Caroline Nokes:** Let me reassure the hon. Gentleman. The Home Office is not undermining good maritime jobs; it is working with all partners to ensure that as we leave the EU there are appropriate employment opportunities, which will be set out in the forthcoming immigration White Paper.

**Kevin Foster** (Torbay) (Con): I know that, in seeking to tackle terrorism, the Home Secretary will always ensure that the security services have the resources and powers that they need, but will he reassure me on one point? Does he agree that, in ensuring that there are no

safe spaces for those who wish to do us harm, we should consider tackling the incitement of terrorism in private as well as public settings?

**Sajid Javid:** I do agree with my hon. Friend. As he will know, the House is considering the Counter-Terrorism and Border Security Bill, which gives us a fresh opportunity to review the possibility of loopholes in earlier legislation.

T8. [906482] **Siobhain McDonagh** (Mitcham and Morden) (Lab): Perseid School, in my constituency, is an outstanding special-needs school for those with severe learning difficulties, but it is hard for it to recruit special needs teachers because they were removed from the shortage occupation list in 2013. It has spent thousands trying to get a teacher from Canada. When will special needs teachers be returned to the list?

**Caroline Nokes:** We constantly keep the shortage occupation list under review and work closely with the Migration Advisory Committee to ensure that the appropriate occupations are indeed on that list.

**Kirstene Hair** (Angus) (Con): My constituency grows more than 30% of Scotland's soft fruit. Will the Home Secretary meet me so that I can discuss the issues that my local farmers are facing, and we can arrive at solutions sooner rather than later?

**Sajid Javid:** My hon. Friend has raised an important issue—the need to ensure that we have seasonal agricultural labour—and I should be happy to meet her and other colleagues to discuss it further.

T10. [906484] **Chris Ruane** (Vale of Clwyd) (Lab): In 2016, my constituent's son Lee Bennison was killed when a motorist collided with his motorbike. The motorist was found to be driving under the influence of drugs. Only days earlier, he had been stopped by police and had undergone blood and urine tests. The results of such tests take three weeks to come back from the lab. If roadside evidential testing for drugs had been available, Lee Bennison would be alive today. Will the Department introduce such testing?

**Victoria Atkins:** That is a most interesting point, and I should be happy to meet the hon. Gentleman to discuss it.

**David Duguid** (Banff and Buchan) (Con): Tomorrow, my hon. Friend the Member for Moray (Douglas Ross) will lead a debate in Westminster Hall on labour shortages in the inshore fishing industry. Will my right hon. Friend consider reintroducing a concession in the current visa rules that would allow non-EEA fishermen to

come to this country to work within the 12-mile limit and support the regeneration of our inshore fishing fleets?

**Caroline Nokes:** Not only will there be that debate tomorrow, but there was an Adjournment debate on the subject last week. I said then, and I repeat now, that we will work closely with the Migration Advisory Committee, whose report is due in September, to understand the specific needs of the fishing industry. I have also offered to meet representatives in Scotland this summer.

**Chris Elmore** (Ogmore) (Lab): Simon Chesterman of the National Police Chiefs Council has suggested that police officers in rural communities could be routinely armed to avoid the provision of funds for specialist armed response units. Will the Minister provide the funds that those units need, rather than eroding public trust by arming police officers?

**Mr Hurd:** The hon. Gentleman knows that the model of British policing has non-armed officers at its core, but where an operational need arises specialist armed officers should be available to be deployed. He will also know that we are investing £144 million of taxpayers' money to upgrade that capability.

**James Heapey** (Wells) (Con): Emergency services around the UK know how brave and expert our cave rescue services are in the way they support emergency services in this country. Does the Home Secretary share my admiration for two of my constituents who were involved in the Thai cave rescue, along with the other two British rescuers, who did such brilliant work to bring those 12 boys and their coach out alive last week?

**Sajid Javid:** I am very happy to join my hon. Friend in commending the courage and bravery shown by those cave rescuers in saving lives: Robert Harper, Chris Jewell, Jason Mallison and Tim Acton. This whole House commends them.

**Liam Byrne** (Birmingham, Hodge Hill) (Lab): Last week, a much loved grandmother, Riasat Bi, was murdered in her own home during a knife fight; she was 86. West Midlands police are doing everything they can to respond to the growing spiral of violence in east Birmingham, but they need help. The force is at its smallest size since 1974: it needs new investment and we need new investment in youth services. Will the Home Secretary listen to our experience in east Birmingham as he prepares his bid for the Budget later this year?

**Sajid Javid:** The right hon. Gentleman rightly raises an important issue, and it reminds the whole House how much more needs to be done to fight the rise in serious violence that we are seeing. Our serious violence strategy is dealing with much of that; it will take time as the issues are complex, but it is right that we work more closely with West Midlands police to see what more we can do.

## NATO Summit

3.31 pm

**The Prime Minister (Mrs Theresa May:** With permission, Mr Speaker, I would like to make a statement on the NATO summit in Brussels last week.

Transatlantic unity has been fundamental to the protection and projection of our interests and values for generations. At a time when we are facing dangerous and unpredictable threats—from state and non-state actors and from the use of chemical weapons, terrorism and cyber-attack—NATO remains as vital to our collective security as it has ever been. So the focus of this summit was on strengthening the alliance, including through greater burden sharing, stepping up our collective efforts to meet the threats of today and enhancing NATO's capability to meet the threats of tomorrow. The UK played an important role in securing progress on all three.

The UK is proud to have the second largest defence budget in NATO after the United States and the largest in Europe. We are increasing our defence spending in every year of this Parliament. We are meeting our NATO commitments to spend 2% of our GDP on defence, and 20% of that on equipment. We are investing heavily in modernising our armed forces, with plans to spend £180 billion on equipment and support over the next 10 years. This morning, I announced the publication of the UK's combat air strategy, confirming our commitment to maintaining our world-class air power capabilities. This is backed by our future combat air system technology initiative, which will deliver over £2 billion of investment over 10 years and lay the groundwork for the Typhoon successor programme. We are deploying the full spectrum of our capabilities in support of the NATO alliance.

In the week in which we marked the centenary of our extraordinary Royal Air Force, I was proud to be able to announce at the summit the additional deployment of UK fighter jets to NATO air policing missions. We are also leading standing NATO maritime groups, contributing our nuclear deterrent to the security of Europe as a whole and continuing our commitment to NATO missions, including in Estonia where we lead NATO's enhanced forward presence. But as the UK plays this leading role in the security of the whole continent, it is right that we work to even burden sharing across the alliance and that other allies step up and contribute more to our shared defence.

The summit included an additional session in response to the challenge posed by President Trump on exactly this point. Non-US allies are already doing more, with their spending increasing by \$41 billion in 2017 alone, and by a total of \$87 billion since the Wales defence investment pledge was adopted in 2014. These are the largest increases in non-US spending in a quarter of a century. Over the decade to 2024, we are expecting that spending to have increased by hundreds of billions, but NATO allies must go further in increasing their defence spending and capability. During the summit, leaders agreed that all were committed to fairer burden sharing and that they had a shared sense of urgency to do more. That is in all our interests.

Turning to specific threats, there was an extensive discussion on Russia. The appalling use of a nerve agent in Salisbury is another example of Russia's growing

disregard for the global norms and laws that keep us all safe and a further example of a well-established pattern of behaviour to undermine western democracies and damage our interests around the world. In recent years, we have seen Russia stepping up its arms sales to Iran, shielding the Syrian regime's barbaric use of chemical weapons, launching cyber-attacks that have caused economic damage and spreading malicious and fake news stories on an industrial scale.

Our long-term objective remains a constructive relationship with Russia, so it is right that we keep engaging, both as individual nations and as a NATO alliance. I welcome the meeting between President Trump and President Putin in Helsinki today, but as I agreed with President Trump in our discussions last week, we must engage from a position of unity and strength. This means being clear and unwavering about where Russia needs to change its behaviour, and for as long as Russia persists in its efforts to undermine our interests and values, we must continue to deter and counter them. That is exactly what we will do. In that context, in a separate discussion during the summit, the alliance also reaffirmed our unwavering support for the sovereignty and territorial integrity of Georgia and Ukraine. We continue to support both Georgia and Ukraine in their aspirations for full membership of the alliance. The alliance also extended an invitation to the Government of Skopje to start accession talks following their historic agreement with Athens. This builds further on the progress made earlier in the week in London at the western Balkans summit, which took important steps to strengthen the stability and prosperity of the region.

For part of the summit, we were joined by President Ghani, who provided an update on the situation in Afghanistan. There are encouraging signs of progress towards a peace process, and allies were united in our strong support for his efforts, but the security situation remains challenging and is compounded further by Daesh fighters who have fled out of Iraq and Syria. So, as my right hon. Friend the Defence Secretary announced to the House last Wednesday, at this summit we increased our support for NATO's mission Resolute Support with a further uplift of 440 UK troops for the UK-led Kabul security force. This will take our total troop commitment in Afghanistan to around 1,100.

Together with all allies, we also committed additional financial support for the sustainment of the Afghan national defence and security forces until 2024. As I discussed with President Trump at the summit, our commitment to Afghanistan began as NATO's only use of article 5, acting in support of the United States following the attack on New York's World Trade Centre. Our uplift will also enable the release of US personnel to conduct increased mentoring and counter-terrorism activity across Afghanistan. The summit also agreed to extend defence capacity building to Tunisia, Jordan and Iraq, and the UK's contribution will play a vital role, particularly in increasing our support to the Iraqi Government in strengthening their security institutions and promoting stability for the longer term.

Facing today's challenges is not enough. In the UK, our modernising defence programme will ensure that our capabilities remain as potent in meeting the threats of tomorrow as they are in keeping us safe today. NATO too must adapt to meet these challenges. This means delivering the reforms agreed at the Wales and

Warsaw summits politically, militarily and institutionally. At this summit, allies agreed a stronger NATO command structure, including two new headquarters, and the UK is committing more than 100 new posts to that structure, taking our commitment to more than 1,000 UK service personnel. We also agreed to improve the readiness of our forces through NATO's readiness initiative known as the "Four Thirties". This is a commitment to have, by 2020, 30 mechanised battalions, 30 air squadrons and 30 combat vessels, all ready to use within 30 days. The UK will play its full part in delivering this.

We also agreed further work to help to counter cyber and hybrid threats by enhancing the capabilities of the alliance to respond quickly and effectively to these new challenges. This includes a new cyber-operations centre and new support teams that will be able to assist allies who want help, either in preparing to respond, or responding, to an attack. Again the UK is at the forefront of these efforts. For example, we were the first country to offer our national offensive cyber-capabilities to the alliance, and we have also committed to host the NATO cyber-defence pledge conference in 2019.

As I have said many times, the UK is unconditionally committed to maintaining Europe's security. That is why I have proposed a bold new security partnership between the UK and the EU for after we leave. But in a world where the threats to Europe's security often emanate from beyond its borders and where we face an array of profound challenges to the entire rules-based international order, the strength and endurance of our transatlantic alliance is vital in protecting our shared security and projecting our shared values. That is why a strong, united and modern NATO remains the cornerstone of our security, and why our commitment to it is ironclad. As we have done across generations, we will stand shoulder to shoulder with our closest allies to defend the rules-based order and the liberal values of democracy, human rights and justice that define our way of life. I commend this statement to the House.

3.40 pm

**Jeremy Corbyn** (Islington North) (Lab): I thank the Prime Minister for an advance copy of the statement.

At the heart of any military alliance is the aim that rogue players cannot derail established Governments. I wonder whether the Prime Minister has reflected on that as she deals with the present threat from the hon. Member for North East Somerset (Mr Rees-Mogg).

Protecting the British people will always be our first priority. From climate change chaos, cyber-attacks and acts of terrorism to perpetual conflicts in the most fragile parts of the world, it is the Government's duty to ensure that their approach addresses the drivers of those security challenges. As one of the richest countries in the world and a member of NATO and of the UN Security Council, we have a real responsibility to ensure that our policy provides real security for our country and does not fuel insecurity beyond our borders. Last week's NATO summit was an opportunity for the alliance to reset its approach to some of those challenges.

Once again, however, another global gathering has been dominated by the erratic statements of President Trump. Did the US President ask the Prime Minister and other NATO leaders to double defence spending to 4%? Did the President outline how threats to our security had doubled over the course of the past week? Are the

Government seriously considering that increase? In 2014, NATO countries agreed to meet the 2% target by 2024. Does that remain the case? Labour is committed to spend the agreed target of 2%. Furthermore, does she agree with President Trump that Germany is "a captive of Russia"? Under no circumstances can our policies be outsourced to the whims of Washington. Of course, we all await the outcome of the Helsinki meeting between Presidents Trump and Putin. Will the Prime Minister condemn President Trump's intervention on his preferred choice as her successor as Prime Minister of this country?

NATO states that seek to destabilise and undermine democracy and national independence, whoever they are—including, but not only Russia—must be held fully accountable under international law and collective engagement. In addition, the use of chemical weapons as a form of war, whether on the streets of Salisbury or in the cities of Syria, is deplorable and must not be tolerated. NATO chief Jens Stoltenberg was right to say recently that NATO's dialogue with Russia is not easy and that the more difficult Russia is, the more we need dialogue. However, democratic regression among NATO Governments makes that approach more difficult.

NATO prides itself as being the guarantor of freedom and security in the world, so it must be held to a higher standard. The rise in authoritarianism and the suppression of basic human rights in many countries should be of great concern. The Brussels declaration highlighted how arms control

"should continue to make an essential contribution to achieving the Alliance's security objectives",

so what steps is the Prime Minister taking to drive forward the effort on that? Does she agree that UK arms sales to countries with poor human rights records undermines their citizens' freedom and security, and will she therefore finally suspend arms sales to Saudi Arabia while bombs rain down on the people of Yemen?

On Europe, it is vital that Parliament fully understands what the Government are proposing for their future defence partnership with the EU after Brexit. However, on yet another fundamental issue, the Government's White Paper is lacking. There is no substance on UK-EU co-operation over diplomatic collaboration, intelligence sharing, or defence and security policy. While the aspiration to strengthen ties with the EU and NATO on issues of cyber-security is welcome, the White Paper offers little clarity on how that might be delivered. Does the Prime Minister accept that her chaotic approach to the Brexit negotiations risks future security and defence co-operation with the European Union?

The "bomb first, talk later" approach to security has clearly failed, leaving a trail of destruction abroad and leaving us less safe at home. NATO talks of wanting to work more closely with the United Nations, but that means treating the United Nations with respect and ending double standards. In Libya, Sudan and South Sudan, this Government are the responsible penholder on the UN Security Council, yet they have failed to deliver long-term political settlements. Hopefully, the new Foreign Secretary can succeed where his predecessor failed, or did not make sufficient effort to succeed.

The Government have deployed additional troops in Afghanistan to support the Government in Kabul. Can the Prime Minister be clear that those troops are there in a training capacity only and that there will be no mission creep?

[Jeremy Corbyn]

Our security is collective—it cannot be achieved at the expense of others. Aggressive military intervention, destabilising democratic institutions, tearing up hard-won international agreements and disregarding human rights and international law are a new threat. Governments on that track must change course.

Labour in government will deepen our commitment to UN peacekeeping and will work with allies who strive for peace, diplomacy and real security for all people. That is how we will deliver real security in a changing world.

**The Prime Minister:** The right hon. Gentleman raises a number of issues. He talks about President Trump's intervention at the NATO summit, and President Trump has made a difference. We share the President's view that we want to see allies all stepping up to meet the commitment they gave at the summit here in Wales in 2014 to spend 2% of their GDP on defence and to spend 20% of that on equipment. That is something we meet, as do a limited number of other NATO members, obviously including the United States of America.

President Trump's making this point about burden sharing has made a difference. As I said in my statement, in just the last year we have seen an extra \$41 billion added to defence budgets across the NATO allies. There was a real sense at this summit, following the discussion that he initiated, that we will see not just people stepping up to meet their 2% target, but an increased urgency in doing so.

The right hon. Gentleman asks about Germany and its relationship with Russia. Can I just say to him that Germany was one of the many countries in Europe and across the rest of the world that stood shoulder to shoulder with the United Kingdom after the attack in Salisbury? Germany did expel Russian intelligence officers and took a very firm view in relation to Russia.

The right hon. Gentleman talks about arms exports. Of course, as he knows, we have one of the strongest arms export regimes in the world, and all decisions are taken very carefully against that background. He talks about our future relationship with the European Union. We will have a fully independent defence and foreign policy, but we will work with our European Union allies where it is right to do so, just as we will continue to work within NATO.

The right hon. Gentleman talks about how we ensure that we have security around the world. Well, NATO has been the backbone of Europe's security for the years in which it has been in place. We continue to support NATO, and it sounds as if he has changed his mind about NATO, because it was not that long ago that he said about NATO, "I'd rather we weren't in it," and, "Why don't we turn it around and close down NATO?" Well, we are not going to close down NATO. The United Kingdom will continue to contribute to NATO as the backbone of European security and wider security around the world.

**Mr Iain Duncan Smith** (Chingford and Woodford Green) (Con): I congratulate my right hon. Friend the Prime Minister on what I think was for her a successful NATO summit. May I return her to the point of the Germans and the issue of energy? Exactly what discussions and conversations have taken place with the Germans concerning the Nord Stream 2 pipeline? If Germany

insists on going ahead unilaterally with this pipeline, it will have the strategic effect of diminishing the likelihood of Ukraine and others being able to support themselves.

**The Prime Minister:** My right hon. Friend has, of course, raised an important issue. This subject has been discussed on a number of occasions around the European Council table and it will continue to be discussed around that table. Obviously, we recognise the concerns that have been raised in relation to Nord Stream 2 and, in particular, in relation to the impact it would have on Ukraine. We will continue to talk, not only with Germany, but with other European allies, about this issue, and we will contribute to that discussion around the European Council table. There is a growing recognition that this issue needs to be addressed and a growing recognition of the concerns that have been raised.

**Ian Blackford** (Ross, Skye and Lochaber) (SNP): I thank the Prime Minister for advance sight of her statement. I thank the thousands of Scots who protested in peace over the weekend and of course the officers of Police Scotland, who did such an excellent job, working around the clock.

Last week, we witnessed extraordinary scenes at the NATO summit. The President of the United States flew to Brussels to lecture the NATO allies on their commitments to defence. These were embarrassing, shambolic scenes from a US President who takes a childish approach to foreign and security policy, rather than working with allies to tackle common security threats. What is more embarrassing is that, after this treatment, we witnessed the Prime Minister roll out the carpet to the President as he visited the UK. This is a President who went on to publicly criticise the Prime Minister's Brexit plans after advising the Prime Minister to sue the European Union—you really could not make it up. Can the Prime Minister tell the House whether she intends to use the President's advice and does his advice not give her a real sense of reality of just how shambolic any trade deal with the US Trump Administration would be? I would advise the Prime Minister that, instead of seeking advice on Brexit from the President of the United States, she should seek it directly from the devolved Governments, who are directly affected by her Brexit chaos.

We are of course today witnessing historic scenes as the US and Russian Presidents meet in Helsinki. There are high stakes in this summit; China, nuclear weapons, Syria, Ukraine and US election hacking are all set to be discussed. I thank the Prime Minister for the remarks she made about Ukraine, as we should all make sure we stand up for the independence of that nation. Can the Prime Minister tell the House what discussions she had with President Trump on operations in Syria at the NATO summit last week?

**The Prime Minister:** First, let me say to the right hon. Gentleman that we continue to support Ukraine. As I said in my statement, we continue to support the sovereignty and territorial integrity of Ukraine and Georgia. Obviously, we are supporting the Government of Ukraine in a number of ways, but we also recognise that there needs to be reform in Ukraine.

We want to see the Minsk agreements fully put in place. Obviously, the failure of that is why we have been supporting, within the European Union, the continued imposition of the sanctions that were introduced in response to the action that Russia took in Crimea.

The right hon. Gentleman talked about President Trump and his approach to the NATO summit. As I said, President Trump has made a difference; he has focused the eyes of those around the table on the question of the 2% commitment. As I said in my statement and have just repeated, \$41 billion of extra investment in defence has been seen across the allies just over the last year. In fact, the United States itself has increased its defence input into Europe over the last year or so—in capability terms and also in financial terms.

The right hon. Gentleman talks about the importance of working with devolved Governments. We continue to work with the devolved Governments on a whole range of issues, including the European issue that he referred to. I would hope that the Government in Scotland would be willing to work with us on these issues, because we will deliver something that is in the interests of the whole United Kingdom.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. There is considerable interest, which is to be anticipated, but I make two points to the House. First, there is a statement to follow, in which there may well be considerable interest. Secondly, we have a substantial debate on the remaining stages of the Taxation (Cross-border Trade) Bill, necessitating brevity in this session, from Back Benchers and Front Benchers alike, and the non-participation of people who arrived after the Prime Minister had delivered her statement.

**Sir Michael Fallon** (Sevenoaks) (Con): Although the opening of accession talks with the Government in Skopje is to be welcomed, will the Prime Minister also confirm that, irrespective of Russia's views, future membership of the alliance is open to any other country that meets the membership criteria, including other countries in the western Balkans?

**The Prime Minister:** Yes, I am happy to give my right hon. Friend that confirmation. Indeed, we look forward to seeing others aspire to membership of the NATO alliance. It is important that they meet the criteria for membership. At the NATO summit, Montenegro was of course sitting around the table, having already become a member of the NATO alliance, and we were pleased to extend that invitation to Skopje. Other countries could follow, provided that they meet the criteria.

**Hilary Benn** (Leeds Central) (Lab): The Prime Minister rightly said in her statement that the United Kingdom is “unconditionally committed” to Europe's security, but over the weekend President Trump described the European Union as a “foe” and the German Foreign Minister Heiko Maas said that Europe can no longer completely rely on the White House. Does the Prime Minister share that assessment and, if not, why not?

**The Prime Minister:** When everybody left the NATO summit that took place last week, what was felt was not only that people had stepped up and recognised the importance of burden sharing, but that there was indeed a unity around that table on the importance of us all working together in the future of Europe's security. As I reminded President Trump, the one time that NATO has used article 5 has been in response to an attack on the United States.

**Mr John Whittingdale** (Maldon) (Con): I welcome my right hon. Friend's support for Ukraine and the recognition of the potential threat of Nord Stream 2. Will she confirm that there is absolutely no question of any NATO member country recognising the illegal annexation of the Crimean peninsula by the Russian Federation?

**The Prime Minister:** We are very clear—as was, I think, everybody around that table—that an illegal annexation took place. Significant support was shown for Ukraine around that table. There are of course requirements on Ukraine and Georgia for their potential future membership of NATO, but we look forward to working with them to help them to meet those requirements.

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): I have often supported the Prime Minister on security and countering terrorism, because extremists must never divide us, but one of our NATO allies, President Trump, chose to single out London's Mayor, who is Muslim, and attack him on terrorism. I know that the Prime Minister will not agree with President Trump and will understand what a vile and false attack that was, but has she said so to President Trump? Has she challenged him on it? We cannot pander when our democratic values are under attack.

**The Prime Minister:** I have made it clear to President Trump on a number of occasions that some of the views that he expresses about the United Kingdom on these issues are not shared by this Government. There are issues on which I disagree with the Mayor of London—for example, I want to see him building more homes in London than he is doing—but on the issue of fighting terrorism, the Mayor of London and this Government work together, as we did last year following what happened here in Westminster and at London Bridge and Finsbury Park. It is an issue on which we unite, because we all recognise the importance of ensuring that the terrorists can never divide us.

**Sir Nicholas Soames** (Mid Sussex) (Con): Given President Putin's long-term goals of destabilising the European Union, seeking to restore Russian influence in eastern Europe and undermining NATO, is it not important—and was it not discussed at length during the NATO summit—that NATO's strategic concepts continue to advance at pace, and that the British Government should therefore wholeheartedly support the 30-30-30-30 proposal, generated by our great friend General Mattis?

**The Prime Minister:** I can certainly give my right hon. Friend the assurance that we do support the four-30s approach that has been adopted by NATO. We will ensure that we are able to contribute to it as appropriate. He is also right that, as NATO looks at the threats that we face, it needs to modernise and reform itself and consider the capabilities that it needs for the future.

**Christine Jardine** (Edinburgh West) (LD): NATO has been the bedrock of our security since the second world war and a vital commitment to collective security, but at times during the summer President Trump's behaviour was disruptive and undermining. Can the Prime Minister assure this House that she took action to impress on him that that is not acceptable in those circumstances?

**The Prime Minister:** What I have impressed on President Trump on a number of occasions now, starting with the very first visit that I made to the United States following his inauguration, was the importance of NATO and the importance of that transatlantic unity. That was a message that came through loud and clear at the summit.

**Sir Hugo Swire** (East Devon) (Con): We welcome the Prime Minister's recommitment to the principle of NATO being the cornerstone of Europe's defence policy, and she is absolutely right to talk about a close relationship with our current EU partners post Brexit, but will she exclude dedicating any Ministry of Defence resources or British taxpayers' money to advancing the cause of a European army?

**The Prime Minister:** I think my right hon. Friend knows full well the views that the UK Government have taken for some time now on the concept of an EU army—a European army. There have been developments around the European Union table, and there continue to be, in the defence field. We have been very clear that those must be complementary to NATO, and that is a view that is accepted.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): Does the Prime Minister agree that peace and prosperity since the last world war have been secured by the United Nations, by NATO and by the European Union? Does she agree that she now has a real opportunity to be the real leader, reminding all our European allies that she has this responsibility?

**The Prime Minister:** The hon. Gentleman is right that we have a number of multinational organisations. As I said in my response to earlier questions, NATO has been the bedrock of European security. The unity of NATO and that continued transatlantic unity is important not just for Europe, but for the United States and the wider world, and we will continue to champion it.

**Dr Julian Lewis** (New Forest East) (Con): Does the Prime Minister agree that any idea that Europe could defend itself conventionally against an aggressive Russia is a dangerous fantasy if the United States is not involved?

**The Prime Minister:** The United States obviously plays a very important role within the NATO alliance, but may I also remark—my right hon. Friend made the comment about defending conventionally against attacks from Russia—that, as we look at NATO for the future, we need to look not just at the conventional capabilities and the conventional threats. That is why I am proud that the United Kingdom was the first to put its offensive cyber-capability to the benefit of the alliance.

**Rachel Reeves** (Leeds West) (Lab): What assurances did President Trump give the Prime Minister that he would raise with President Putin the poisoning of the Skripals and the murder of Dawn Sturgess on British soil? It is unacceptable that Russia has put lives at risk, with poisonous substances being left to kill innocent people on the streets of our country. If President Trump is our ally, he will raise this. Will he?

**The Prime Minister:** The hon. Lady is absolutely right in the way that she describes the attack that took place in Salisbury and the use of a nerve agent on the streets of the United Kingdom. We know that an individual

has died as a result of contact with Novichok. I did raise the severity of this issue with President Trump. The United States reacted alongside us after that attack. It expelled more Russian intelligence officers and more Russian diplomats than any other country. I raised this among other issues that I would expect President Trump to raise with President Putin.

**Sir Desmond Swayne** (New Forest West) (Con): Two per cent. must not be the measure. Rather, it should be the capability to deliver lethal effect, shouldn't it?

**The Prime Minister:** My right hon. Friend makes an important point, which is that, while focus is often on the numerical figure for spending, capability is important as well. That is, of course, where the United Kingdom scores not just in terms of the spending that we make, but in ensuring that we have the capability necessary and that that is available.

**Jim Shannon** (Strangford) (DUP): I thank the Prime Minister for her statements so far. Was she successful in her attempts to secure additional funding for defence from other NATO countries—some of which consistently underfund their contributions to NATO—considering the war against terror that we, as NATO members, are supposedly fighting together?

**The Prime Minister:** Countries that do not meet the 2% target at the moment are stepping up and increasing their spending. They went away with a very real sense that this is not just a long-term plan, but that there is an urgency in them doing this.

**Richard Benyon** (Newbury) (Con): Next year, more than 600 parliamentarians from across the NATO alliance will visit London. Does my right hon. Friend agree that this is a very important opportunity for Britain to show that we are absolutely a global nation and that our commitment to the alliance moving forward is absolutely at the heart of what we believe?

**The Prime Minister:** My right hon. Friend makes a good and important point. He is absolutely right that this is an opportunity for us to show global Britain and to show our absolute commitment to NATO for the future.

**Dr Rupa Huq** (Ealing Central and Acton) (Lab): Our NATO obligations are entwined with our other collective security arrangements. The Prime Minister has previously said:

“Thanks to the arrest warrant, more than 2,500 people wanted for crimes abroad are no longer roaming the streets of Britain... These include serious international criminals like murderers, paedophiles, human traffickers and terrorists.”

Can she tell us how she intends to defend us from these undesirables, as the White Paper does not commit to keeping us in the European arrest warrant system post Brexit?

**Mr Speaker:** Not altogether adjacent to the NATO summit.

**Dr Huq:** In parallel.

**Mr Speaker:** “Parallel” says the hon. Lady optimistically from a sedentary position. We look to what might be called the geometrical dexterity of the Prime Minister to cope with the situation.

**The Prime Minister:** Although we did not discuss at the NATO summit the precise point that the hon. Lady raised, we did of course discuss our collective security. The hon. Lady can rest assured that in all our considerations on these matters we will be ensuring that we have the powers and tools necessary for our security.

**Mr Philip Hollobone (Kettering) (Con):** NATO seems to enjoy spending large amounts of money on new headquarters. Its swanky new main HQs were opened last year, and I think that the Prime Minister announced that two further HQs will be opened. How can we persuade our NATO allies to spend less on HQs, and more on frontline troops and offensive cyber-capability?

**The Prime Minister:** Although I used the term headquarters, the point is that these are about personnel who will be situated and who will be able to ensure that the capabilities are where they need to be in relation to NATO. For example, they are looking at possibilities around various parts of Europe to do this, but this is not just about a building; it is crucially about NATO’s capabilities and ensuring that it has the capabilities in the right place.

**Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op):** We face not only chemical and cyber-attacks from Russia, but constant attempts to undermine our democratic and political processes. In the midst of last week, 12 Russian agents were indicted by the US Department of Justice for attempting to influence the US election. Can the Prime Minister say whether these matters were discussed at the NATO summit? Did she discuss them with President Trump or does she believe—like he said—that it was all part of a “rigged witch hunt” against Russia?

**The Prime Minister:** We have made very clear our concern at the way in which Russia has been seen in a number of countries to attempt to undermine the democratic processes in those countries. This matter was discussed not in specificity, but in the generality of the question of Russia’s interference and the malign state activity that is undertaken by Russia.

**Dame Cheryl Gillan (Chesham and Amersham) (Con):** I welcome the NATO-Georgia commission declaration, which was made following the summit, about the ongoing dialogue with Georgia. As Georgia has reaffirmed its determination to achieve NATO membership, does the Prime Minister know whether any progress was made on timetabling the delivery of the membership action plan to Georgia?

**The Prime Minister:** We did discuss the potential accession of Georgia. The President of Georgia was there and was able to update us on the moves that Georgia has been making. The issue raised by my right hon. Friend will be an important part of the process. I am happy to write to her on the specific issue that she raised regarding the date.

**Liz Saville Roberts (Dwyfor Meirionnydd) (PC):** Trump looks more comfortable straddling the world stage next to Putin than he did beside the Prime Minister. How can she justify sabotaging our secure economic relationship with our friends in the EU and craving favours of a man who prides himself on shredding the rules-based order?

**The Prime Minister:** That is not a question that can be answered, for the precise reason that the basis of the question is entirely wrong.

**Richard Drax (South Dorset) (Con):** With a looming and large predicted overspend on our defence budget, can my right hon. Friend assure me, the House and the country that she will maintain the NATO 2%—ideally 2.5%—which, as I understand it, will pay for the ongoing programme as laid out?

**The Prime Minister:** We are committed to maintaining the 2% of GDP spend on defence. Not just that, but we are one of the few countries that does the double-header, if you like, because the Wales summit committed not just to the 2% of GDP spend on defence but to 20% of that spending being on equipment, and we will continue to maintain that.

**Mr Pat McFadden (Wolverhampton South East) (Lab):** The post-war Labour Government played a pivotal role in the foundation of NATO because their Ministers understood the value and importance of collective security. As the Prime Minister said in her statement, article 5—its collective defence clause—has only ever been invoked once, in defence of the United States. Is she confident that the President of the United States is fully committed to article 5?

**The Prime Minister:** As I said earlier, what we had coming out of NATO was an absolute commitment to the unity and the collective action that is required in NATO. That was the unity around the table at the NATO summit, and it included President Trump and all the allies around the table.

**Michelle Donelan (Chippenham) (Con):** Does my right hon. Friend agree that it is only right that we not only meet our NATO target but increase it in real terms and that it is about time that all NATO members committed to the 2% target?

**The Prime Minister:** My hon. Friend asks about all NATO members committing to the 2% target. Of course, they have committed to reach the 2% target—the challenge is making sure that they actually get there. As I said earlier, there was a very real sense around the table that there is a growing urgency in meeting the 2% target. Obviously, NATO will be working, as we will be working with it, to encourage others to do just that and to ensure that they do so.

**Mr Chris Leslie (Nottingham East) (Lab/Co-op):** Is it not clear from President Trump’s interview with *The Sun* newspaper in the margins of the NATO summit that he envisages a trade deal with the UK only if we sacrifice our European alliances? May I urge the Prime Minister not to pander to President Trump’s view, or to the Trumpian view of the hard-Brexiteer European Research Group, which she always seems happy to roll over for whenever it makes any demands of her?

**The Prime Minister:** We are looking to do a trade deal with the United States of America. We will discuss that trade deal with the United States of America. We recognise that there are certain issues that will have to be addressed within that trade deal. Issues around agricultural products have been raised in this House before. There are issues about the single standards model as well. I am happy to sit down and listen to and hear concerns from my colleagues. We did that on the European Union (Withdrawal) Bill and we continue to do it on other Bills.

**Dr Andrew Murrison** (South West Wiltshire) (Con): What was my right hon. Friend's reaction to the bold new security partnership with the European Union to which she referred and to the possible cessation of the UK's leadership of EU initiatives such as elements of the European Defence Agency, the battlegroups and Operation Atalanta?

**The Prime Minister:** We have so far had a constructive response to the proposals that we have put forward. Obviously, the specific sorts of operations and commitments that my hon. Friend mentions will need to be considered in the future as we look to see those areas where it does make sense for us to continue to be co-operating, and sometimes co-operating in a leading role.

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): Following my husband's service in the armed forces, I had the real privilege of visiting our RAF forces based with NATO in Romania this year. We heard at the time that cyber-security is absolutely crucial and key, so will the Prime Minister ensure that this is given adequate priority moving forward?

**The Prime Minister:** I am very happy to give that commitment to the hon. Lady. The President of Romania actually said to me during the summit how pleased they were with the work that the Royal Air Force has been doing there. We do recognise the importance of cyber-capabilities, and that will be a clear focus for the future.

**Daniel Kawczynski** (Shrewsbury and Atcham) (Con): The Prime Minister needs to be far more robust on the issue of the Nord Stream 2 pipeline, which is a genuine threat to our key NATO partners in eastern and central Europe. Is she willing to impose sanctions on companies involved in this project?

**The Prime Minister:** I made a response earlier in relation to Nord Stream 2. There are, yes, considerable discussions that have to take place around the European Council table on this issue. A number of members of the European Union have concerns about this. It is a subject on which I think there will be those further discussions and appropriate action will be taken.

**Ms Angela Eagle** (Wallasey) (Lab): The American President seems to prefer unilateral action to multilateral action. He seems to want to be protectionist and inward-looking—to put America first, as he says—rather than to engage multilaterally. What implications does the Prime Minister think that approach has for the NATO alliance?

**The Prime Minister:** We sat around the table at NATO and, as I said, President Trump challenged those allies that are not meeting their 2% commitment. We agree—we have been raising that issue, and we continued to do so at the summit. Around the table, there was unity and recognition of the importance of transatlantic unity and of working through the NATO alliance.

**Stephen Kerr** (Stirling) (Con): Does my right hon. Friend agree that we should work with our allies in NATO to combat fake news and disinformation, especially after the incident in Salisbury?

**The Prime Minister:** That is very important. As I indicated in response to an Opposition Member, the whole question of attempts to interfere in democracy and of misinformation and propaganda was one of the elements we discussed at the summit, and it is one that we will ensure effort is put into.

**Chris Bryant** (Rhondda) (Lab): The trouble is that Russian aggression continues unabated. Only last week, the Greek Government found that four Russian diplomats had been bribing officials in Greece to try to foment opposition to the deal with Macedonia—or North Macedonia. We wholeheartedly support that deal going forward. Do we not absolutely have to stand shoulder to shoulder with the Greek Government and consider further measures against the Russians—and for that matter, should we not stand alongside the Danish Government over Nord Stream 2?

**The Prime Minister:** I did indeed commend the Greek Prime Minister on the action that Greece has taken. As the hon. Gentleman says, we are very clear that we think an historic agreement has been reached between the Governments in Skopje and Athens. Obviously, processes need to be gone through in both countries. We hope those have a successful conclusion.

**Maggie Throup** (Erewash) (Con): The UK is acknowledged to be at the forefront of defence modernisation. Is my right hon. Friend confident that other NATO members are ready to modernise, too?

**The Prime Minister:** We are certainly putting significant effort into modernisation, in recognising the need for new capabilities and the modernisation of NATO. I think it is fair to say that we are one of the countries at the forefront of that modernisation, but we are ensuring that other allies around the table recognise its importance and come along with it, too.

**Stephen Kinnock** (Aberavon) (Lab): The Prime Minister rightly said that NATO and the EU are the dual cornerstones of our security. Why, then, does she keep dancing to the tune of the European Research Group? Does she see that by capitulating to its proposals on the customs and trade Bills, she is accepting that the Chequers deal is dead in the water?

**The Prime Minister:** The hon. Gentleman is absolutely wrong in his reference to the agreement that was reached at Chequers. I would not have gone through all the work I did to ensure we reached that agreement only to see it changed in some way through these Bills. They do not change the Chequers agreement, and the Minister will make that clear from the Dispatch Box later today.

**Mr Speaker:** I do not wish to be unkind to the hon. Member for Aberavon (Stephen Kinnock), but I think he is geographically more challenged than his hon. Friend the Member for Ealing Central and Acton (Dr Huq), who is sitting next to him.

**Kevin Foster (Torbay) (Con):** The most visible sign of our commitment to NATO's eastern partners is the deployment of our troops in the Baltic states. Were the Baltic states reassured at the summit that the United Kingdom and all other NATO countries view an attack on one as an attack on all?

**The Prime Minister:** I think the Baltic states have taken considerable reassurance from the approach of the allies around the NATO table. Obviously, we are very pleased to be playing a leading role in the enhanced forward presence in Estonia, which is an important commitment that we have going into the future. I know that not just the Estonians but the Lithuanians and the Latvians are very clear about the support that NATO is showing them.

**Stewart Malcolm McDonald (Glasgow South) (SNP):** Respecting Ukraine's territorial integrity is about more than Crimea; we cannot forget about the illegally occupied east of Ukraine. Can the Prime Minister tell me what the support she talks of actually looks like and how it materialises on the ground in Ukraine? Exactly what is the Government's policy on Nord Stream 2? Despite what she said, I cannot tell.

**The Prime Minister:** We have obviously been supporting the Ukrainian Government in a number of ways, one of which is in the reforms that we believe are necessary there, as well as supporting their capability to deal with what has happened in parts of the country. As I have said, we will continue to discuss Nord Stream 2 with allies.

**Rachel Maclean (Redditch) (Con):** My constituents voted overwhelmingly to leave the EU because they believe that, as a sovereign country, we can make our own policies in the world. Can the Prime Minister explain how we can have a security partnership with NATO in the EU after we have left the EU?

**The Prime Minister:** We will indeed be able to have that independent policy, but I think it is important, because of the capabilities that we share with European Union countries on various security issues, that in future we do have a partnership that enables us to maintain operational capability. Of course, the bedrock of European security is NATO. We are a leading country within NATO, and we will continue to be so.

**Emma Reynolds (Wolverhampton North East) (Lab):** On the margins of the NATO summit, what did the Prime Minister say to Donald Trump when he advised her to sue the European Union?

**The Prime Minister:** First, that comment was not actually made at the NATO summit. Secondly, the hon. Lady might have seen that we have not sued the European Union; what we are doing is going into negotiations.

**James Heappey (Wells) (Con):** The Prime Minister has spoken about the impressive advances in cyber-capability being made across the alliance. How is thinking

developing over how the principles of collective security enshrined in article 5 would be applied in the event of a cyber-attack, because I know that work on that has been ongoing within NATO for some time?

**The Prime Minister:** My hon. Friend is absolutely right to raise this issue. It is fair to say that we have been pressing for reform of NATO for some time, as has the United States, recognising these issues. NATO does recognise the issue and it is still working on that question. It is important that we have made our offensive cyber-capabilities available to the alliance. One or two other countries are now doing that as well, and I look forward to seeing others do the same.

**Mr Tanmanjeet Singh Dhesi (Slough) (Lab):** The Brussels declaration highlighted how arms control should "continue to make an essential contribution to achieving the Alliance's security objectives".

Can the Prime Minister confirm what steps the Government are taking on that, particularly with regard to small arms, which can be so devastating?

**The Prime Minister:** We have one of the most robust and rigorous arms export regimes in the world. The hon. Gentleman mentions small arms, and some work on that is being led by the French. It is something that we have looked at previously, to try to ensure that firearms are not transported for criminal purposes, particularly across Europe. We continue to work on that.

**Rebecca Pow (Taunton Deane) (Con):** I am very pleased to hear that the Prime Minister has agreed that we will be improving the readiness of our forces through the NATO readiness initiative. Does she agree that the Royal Marines, such as 40 Commando in my constituency, exemplify the essential expertise and modern approach that we can offer?

**The Prime Minister:** I am very happy to commend the Royal Marines based in my hon. Friend's constituency. They do indeed provide that great example of readiness, as do other armed forces here in the United Kingdom, and I am pleased that we are able to contribute to the NATO readiness initiative.

**Alison McGovern (Wirral South) (Lab):** About these issues, the Prime Minister has said that

"we must engage from a position of unity and strength."

Who does she think has done most to put that unity at risk: Donald Trump, who calls our friends foes, or the hard Brexiteers who have now left her Cabinet? Who, when it comes to British diplomacy, has taken incompetence to new heights?

**The Prime Minister:** Around the NATO table we are all working together to ensure the security of Europe, and indeed the wider security, because the security of Europe has an impact beyond its borders. Indeed, NATO is working beyond the borders of Europe, as we see with the Resolute Support mission in Afghanistan. I am pleased that, as we recently announced, we are not only continuing to contribute to that mission, but enhancing our contribution.

**Andrew Bowie (West Aberdeenshire and Kincardine) (Con):** My right hon. Friend rightly said today that we face a profound challenge to the entire rules-based

[Andrew Bowie]

international order. Does she agree that, in deploying troops to the Baltic to support our allies there and in Scandinavia, we are defending that rules-based order and not, in the words of the Leader of the Opposition, simply escalating tensions?

**The Prime Minister:** I absolutely agree. It is important that we show that commitment to the Baltic states and that we also show that commitment with, for example, the Joint Expeditionary Force that we have recently established with some of the Nordic countries. Those are important symbols of our defence of the values that we share in Europe.

**Sammy Wilson** (East Antrim) (DUP): Does the Prime Minister accept that without the tough words from President Trump before and during the NATO summit, many of those who have been freeloading on the US and the UK would not have made the 2% commitment to defence spending? More importantly, what monitoring will there be to ensure that they honour those promises?

**The Prime Minister:** Of course, they made the commitment in Wales. The question is meeting it, and I think that the President's intervention has made a difference and that NATO itself will ensure that it monitors that commitment and looks at the timetables to which those allies will work to meet it.

**David Linden** (Glasgow East) (SNP): Does the Prime Minister support Nord Stream 2?

**The Prime Minister:** As I have said, we recognise that there are real concerns about Nord Stream 2. There are concerns about its impact on Ukraine, and we will discuss the matter further with our allies.

**Peter Kyle** (Hove) (Lab): The fact remains that President Trump is a NATO-sceptic who really responds only to individual strongmen around the world. Does the Prime Minister agree that NATO's strength is many countries coming together and putting their collective security in the single organisation of NATO? Did she explain to Donald Trump where that strength comes from?

**The Prime Minister:** It was very clear around the NATO summit table—it was a point that I and others made—that our unity and collective strength have made NATO the bedrock of European security over the years.

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): A strong Royal Navy is vital to countering Russian aggression in the north Atlantic and on our northern flank. What discussions did the Prime Minister have at the NATO summit about preserving our amphibious capabilities as part of that NATO effort, especially protecting HMS Albion, HMS Bulwark and the Royal Marines?

**The Prime Minister:** Obviously, discussions take place about our particular capabilities and how we ensure that we protect them. We have made a significant commitment to our Royal Navy in terms of the equipment that we are providing. The fact that we have two new aircraft carriers and the new frigates that will come forward shows that we have made a very real commitment to our Royal Navy for the future.

**Jamie Stone** (Caithness, Sutherland and Easter Ross) (LD): The splendid formations of Typhoons and Tornados flying over London last week surely exemplify the fruits of previous co-operation with European countries. The Prime Minister used the interesting phrase, "where it is right to do so in the future". Does that mean that it is conceivable that there might not be such co-operation in future?

**The Prime Minister:** We have said that we will have an independent foreign and defence policy and that there will be occasions when we co-operate with the European Union on those matters, just as there are occasions when we co-operate on a bilateral basis with individual countries in Europe—for example, the very good co-operation that we have with France on defence matters and the co-operation that we now have with some of the Nordic states on the Joint Expeditionary Force. We will ensure that we do what is in our national interests and the interests of maintaining European security.

**Gavin Robinson** (Belfast East) (DUP): The Prime Minister helpfully outlined just how disregarding Russia is of international rules and order, but having engaged with our NATO allies, does she believe that military confrontation with Russia is more likely, less likely or the same?

**The Prime Minister:** We have seen that malign state activity from Russia across a whole range of activities and capabilities. What is important for us sitting around that table and in NATO is ensuring that we have the capabilities to deal with that threat in whatever form it comes.

## Trade Policy

4.29 pm

**The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox):** In October last year, my Department published a White Paper, “Preparing for our Future UK Trade Policy”, in which we set out the Government’s commitment to transparency and inclusiveness in our future trading arrangements. The paper also set out our intention to boost our trade relationships with old friends and new allies, expanding access to markets across the globe. Today, I can set out the role of Parliament, the devolved Administrations, public, business and civil society, and how the Government intend to engage with those groups as we embark on our new international trade agreements to benefit the whole UK and ensure we meet our commitments to an inclusive and transparent trade policy.

Scrutiny of our future trade arrangements is vital as we take powers back from the EU into UK law and begin negotiating our own new free trade agreements. I would like, at this stage, to make a distinction between our free trade agreements with new partners, to which this statement relates, and continuity trade agreements—those being legislated for in the Trade Bill tomorrow and to which the customs Bill powers being debated today will also apply. With that distinction in mind, for our new FTAs we will now put in place a structured approach to engagement to provide clarity on how stakeholders can feed into this vital work that will help to shape the trading future of our country.

To ensure that our new agreements and future trade policy work for the whole UK, it is vital that Parliament, the devolved Administrations, local government, business, trade unions, civil society and the public from every part of the UK have the opportunity to engage and contribute from the outset of the process. On Parliament specifically, the Government are committed to providing Parliament with the ability to inform and scrutinise new trade agreements in a timely and appropriate manner. I want to set out how this will be achieved.

We will ensure that parliamentarians are given the opportunity to consider the level of ambition of the Government’s approach to negotiations and the potential implications of any agreements. We will explore the best process to do that, but in the first instance it could take the form of a general debate. In addition, the Government will keep both Houses updated on the progress of negotiations through statements and updates to the International Trade Committee as the negotiations progress. This will include timely analysis at appropriate points to support decision making. Of course, as in any negotiation, a certain level of confidentiality will be necessary to help ensure the best outcome for the UK, and the updates will be given with that in mind.

At the end of a negotiation, the Constitutional Reform and Governance Act 2010 will continue to apply as it does to all treaties that are subject to ratification. Under the Act, the Government will lay before Parliament any treaty they intend to ratify, alongside an explanatory memorandum which will summarise the content of each trade agreement. Consistent with best practice, with any new international trade partners the Government

will also, at the appropriate time, publish an impact assessment. To implement a new trade agreement with a new partner, the Government will bring forward a bespoke piece of primary legislation when required for each new future trade agreement that requires changes to legislation and where there are no existing powers. Parliament will therefore have the opportunity to scrutinise the new legislation in the normal way. I believe that this process will strengthen Parliament’s ability to shape and scrutinise the Government’s ambitious trade policy agenda and our new free trade agreements with partners around the world.

To develop and deliver a UK trade policy that benefits business, workers and consumers across the whole UK, we need to reflect the needs and individual circumstances of England, Scotland, Wales and Northern Ireland. We will work closely with the devolved Administrations on an ongoing basis to deliver an approach that works for the whole UK. As part of this, we are conducting a series of collaborative policy roundtables with devolved Administrations and key stakeholders in all parts of the country, which will draw on their knowledge and expertise, recognising their role in helping to deliver the objectives of our trade policy and future negotiations. We will ensure that the devolved Administrations are able to inform the Government’s approach to negotiations throughout the consultation period and, of course, with subsequent engagement throughout the entire negotiation process. We will also engage more widely in Scotland, Wales and Northern Ireland, holding meetings with a wide range of stakeholder groups. Let us not forget the English regions, whose involvement in this process is also of vital importance and who, from the north-east to the south-west, make a huge contribution to our trading performance. They, too, will be fully involved.

As we prepare to begin negotiating future trade agreements once we leave the EU, we will also want groups and any individuals with an interest to have their say and inform our approach to negotiations. Our White Paper asked how the Government should seek views from the public, business, trade unions and civil society. We were grateful to receive thousands of responses. The responses made clear the need to move to a more formalised engagement structure, so that stakeholders are clearer on when and how they can offer input and how their information will be used. It is therefore important that we ensure that the public, and wider stakeholders, have access to this process online to make sure that we reach the widest possible range of people, in terms of both diversity and geography. I will write to all Members with website and address details so that we can fully inform and involve our constituents.

My Department will also convene a strategic trade advisory group to bring expert external insight to trade policy making and to advise Ministers. We are inviting expressions of interest in membership and will appoint 14 members, based on their technical expertise, to take seats on the group. We will ensure that the group represents the varied interests of business, workers, consumers and non-governmental organisations in all parts of the UK. More details can be found on the Department for International Trade gov.uk pages.

I have said that all stakeholders and members of the public must be able to inform the Government’s approach, and that is why we will launch public consultations for

[Dr Liam Fox]

each potential new trade agreement. If we are to learn the lessons from agreements such as the Transatlantic Trade and Investment Partnership, we need to ensure that people are able to express their views and feel that they have been taken into account. I want people to feel invested in this process and that the benefits of free trade are shared across the length and breadth of the UK. The Government's consultations will therefore last for 14 weeks, giving everyone the opportunity to share their objectives and any concerns about potential new agreements. I will update the House on potential agreements that will be subject to consultation in the coming days. My ministerial colleagues and I will continue to meet representatives from business and civil society and my officials will continue to welcome technical policy discussions with a broad range of experts. We will also hold a range of outreach events to engage with stakeholders across the whole United Kingdom.

The views gathered through the Government's consultation and engagement will ensure an informed and well evidenced approach to each of our trade negotiations. I can confirm that before entering formal negotiations, we intend to publish an "Outline Approach" to each negotiation, setting out the high-level objectives and scope of that negotiation. This document will be accompanied by a scoping assessment at that point.

As I have said many times, the decision to leave the European Union was not a decision to retreat from the world. In fact, we need to embrace it—to trade more, not less, and to fight protectionism and break down the barriers to trade wherever we find them. As agreed at the European Council meeting in March, the UK will be able to begin to negotiate new trade agreements from April 2019. It is therefore right that we set out how we intend to gather views from across the country now to inform the Government's approach to new trade negotiations before those talks begin and as they progress to conclusion.

As we decide our own trade policy for the first time in over 40 years, I am sure that Members of the House will agree that it is only right that we all get a say. I am confident that our proposals will deliver the scrutiny and transparency that the UK public, including Parliament, expect and deserve, and I commend this statement to the House.

4.38 pm

**Barry Gardiner** (Brent North) (Lab): I thank the right hon. Gentleman for advance sight of his statement. I have to say, when he said that he wanted to boost his relationships with old friends and new allies, I did wonder for a moment whether he was talking about the previous Foreign Secretary and the current Prime Minister, but it seemed not.

The Trade Bill completed its Committee stage more than six months ago. Since then, the Government have been too scared to bring it back for fear of what their Back Benchers might do to it, but tomorrow, this House will debate Report stage and Third Reading of the Trade Bill, so it was with a certain amount of disbelief that I saw that today of all days, the Secretary of State would be making a statement on "Delivering a transparent and inclusive UK trade policy". I thought to myself, "This man's having a laugh." He is.

For months, since the first publication of this flawed piece of legislation last October, we have been saying that it fails to do what the Government led us to believe it would in the Gracious Speech at the state opening of Parliament—namely, to set out the legislative framework to deliver a transparent and inclusive UK trade policy. Business has been saying it; unions have been saying it; civil society has been saying it. Madam Deputy Speaker, did you ever hear of such a coalition? The International Chamber of Commerce, the CBI, the British Chambers of Commerce, the EEF, the Institute of Directors and the Federation of Small Businesses all joined forces with the TUC, Unite the union, the Trade Justice Movement and even the Consumers' Association, which publishes *Which?*, to tell the Government they needed to sort this out.

We tabled a series of amendments in Committee. The Government refused every one. So why this protestation, this deathbed Damascene conversion by the Secretary of State? It is a welcome confession, but as drafted the Bill does not provide what so many on the Government Benches told us was the point of leaving the EU. It does not give control over laws to this sovereign Parliament; it gives them to Ministers. What today in his statement has the Secretary of State done to change this? The words are warm. The detail is far from clear. Will he be accepting new clause 3 tomorrow? It sets out a proper scrutiny procedure for trade agreements. We tabled that amendment in Committee only to see it scorned. We welcome his statement that the Government will be bringing forward a proper consultation process in advance of future trade agreements. Does this mean he will be accepting our amendment 18 on consultation or our new clause 4 on respecting the rights of the devolved Administrations? The true penitent must not merely confess his sins; the true penitent must amend his ways. There is little in this statement that shows the Government are prepared to do so.

Modern trade agreements are so complex and extensive that they reach into nearly all aspects of government and policy, but they are not like domestic legislation, which can be repealed when it is no longer technically suitable or politically acceptable. Instead, they place legally binding obligations on Governments in perpetuity that cannot be simply amended or repealed yet those obligations can be agreed behind closed doors and in total secrecy by the Government's negotiators alone. That is why it is incumbent upon Members of this House to ensure a rigorous and robust scrutiny framework for trade agreements.

Until now, the Government have rejected every single one of our amendments. It is welcome that, however late in the day, they have tabled amendments addressing at least some issues before tomorrow's Third Reading, but they do not go far enough. They have now agreed with Labour that regulations should not be implemented under the negative procedure. They have also agreed with Labour that there could be substantive variation in the roll-over agreements compared with the corresponding EU agreements and have brought forward amendments that will require the Government to report on any such change. But of course as one hand gives, the other hand takes away, as they have also tabled an amendment that would allow them to ignore this, should they so choose. Reporting on a change is not the same as giving Parliament the power to amend it. I trust that, given the Secretary

of State's acknowledgement today of the Bill's failings, he will support those amendments that seek to rectify the shortcomings tomorrow.

Finally, why are we having this statement today? It could and should have been delivered as part of the debate on the Bill tomorrow. Indeed, any concessions could have been brought forward as amendments at any stage since it had its Second Reading last November. Today's statement can only have been brought forward in a bid to limit time for this afternoon's critical debate on the Taxation (Cross-Border Trade) Bill and to stave off any opportunity for right hon. and hon. Members to expose the ludicrous position this Government have now got themselves into by saying they will accept European Research Group amendments that directly contradict the Chequers agreement.

A group of Ministers and Back-Bench Members within and outside the Cabinet now appear to be deliberately steering the Brexit negotiations on to the rocks of a no deal, with all the damaging consequences for jobs and our economy of moving disruptively on to World Trade Organisation rules. I believe the Secretary of State is one such. The warm words and platitudes of this statement do not mask the cynical political game he is playing and make a mockery of the role of this House in undertaking proper and rigorous debate of some of the most important legislation to come before us in 50 years.

**Dr Fox:** As no questions were actually raised in the hon. Gentleman's response to my statement, I am tempted simply to sit down again.

One of the reasons we give advance notice to Front Benchers is to try to ensure that they are at least be talking about the same issue as we are. However, I am afraid the shadow Secretary of State does not seem to understand that the Trade Bill, which we will debate tomorrow, specifically does not involve future free trade agreements; it merely involves continuity agreements. If the hon. Gentleman does not understand that point, I am not sure what else in the Bill he will understand.

Today's statement related to new free trade agreements. I gave the House a commitment that I would set out, before the summer recess, what our proposals would be, in the context of transparency and inclusivity, when it came to negotiating those new free trade agreements. The fact that we are making statements during the negotiations, and giving updates to the International Trade Committee, shows that we have acted in good faith. I am afraid that this afternoon we have simply had bluster and bunkum instead of reason and rationality, and if anyone was making a mockery of anything, it was a mockery of Front-Bench duties.

**Several hon. Members** *rose—*

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. It will be obvious to the House that, as the statement made clear, this is about how Parliament, the devolved Administrations and the wider public will be engaged in the process of forming free trade agreements with new partners, and scrutinising those trade agreements. In other words, this is a relatively narrow canvas to which colleagues can fit their questions. The Chair will not entertain long speeches about anything to do with Brexit. I am sure that Members will find a way of asking the questions that they wish to ask, while keeping within the narrow canvas that I have just described.

**Mr Kenneth Clarke (Rushcliffe) (Con):** I rather share the suspicion of the hon. Member for Brent North (Barry Gardiner) that the only reason this non-urgent statement was made today was to reduce the already inadequate time that we will have in which to debate the highly important Bill that follows, which is likely to be squeezed into four hours for speeches and Divisions—although the hon. Gentleman then filibustered. I shall try to avoid contributing to that filibuster.

As you have given your ruling, Madam Deputy Speaker, I will not ask the full question that I was going to ask about the rumours that the Government will adopt, this afternoon, amendments that are directly inconsistent with the White Paper of a week ago, including amendments tabled by my hon. Friends. For instance, new clause 36 contradicts paragraph 17(a) of the White Paper, on page 17. Are any statements by the Government on its trade policy in future to be relied on for more than a week or two at the moment, and is it not rather premature for the Secretary of State to come here and explain exactly how we may eventually be contemplating new trade agreements of our own, which will take many, many years to achieve?

**Dr Fox:** I will not take any more of the House's time, Madam Deputy Speaker, but it is entirely untrue that that was the reason for the statement.

**Stewart Hosie (Dundee East) (SNP):** I thank the Secretary of State for his statement and for advance sight of it, and indeed for the tone that he adopted. I am particularly grateful for what he said about enabling Parliament to scrutinise future trade deals in a timely fashion. However, it should be ensured that we have enough information to be able to scrutinise them properly.

I will not be as cynical as others, but I find it slightly odd that an urgent statement has been made about a nine-month-old document. Nevertheless, what was said was welcome, especially in relation to liaison with businesses, workers and non-governmental organisations, particularly those concerned with trade justice. I ask the Secretary of State to confirm that there will be sufficient sight and enough detail of future proposals for them to do their work as well.

I also welcome what the Secretary of State said about liaison with devolved institutions. However, it is not enough simply to have liaison, discussion and consultation if there are real implications that consent may be required. A role in setting the negotiating mandate may be necessary. Actively seeking consent throughout the process towards ratification is a process that I would have expected the Secretary of State to welcome, and I hope he will look at our new clauses 20 to 24 tomorrow in that regard.

But most importantly, I hope the Secretary of State takes on board when he is liaising—and I take him at his word that this will happen—the deep concern in society, in campaign groups and throughout all sorts of organisations about the implications of trade deals in the future for public safety, good hygiene and the environment, and understands that we never again, as he mentioned in his statement, want to get into a position such as we were with the Transatlantic Trade and Investment Partnership, where, after a short period of time, there was mass opposition to a bad treaty not discussed with the public in advance.

[*Stewart Hosie*]

The Secretary of State talks about future trade deals, and I understand why he is making that distinction, but if we have a trade deal that is being rolled over but requires some tweaks or changes that are subsequently extended beyond five years, that may look very similar to a new trade deal. I hope he will look actively at having the same scrutiny of and consultation on those arrangements as he does simply for deals in the future.

**Dr Fox:** I am very grateful to the hon. Gentleman for a response with some substance. He is quite right to say that the length of time available is important; it is why we have chosen a consultation period of 14 weeks—the EU, for example, has 12, and other countries have less than that—and it is important that we allow that to happen. He is also right that with TTIP many of the public felt they had not been involved from the beginning of the process; there was no equivalent process to the one we are setting out today for the pre-negotiation phase so that the public could set out their ambitions and objectives for any trade agreement.

On future agreements, I ask the hon. Gentleman to look at what this House has already agreed on CETA: chapters 23 and 24 specifically place restrictions on Governments from watering down in any way their labour or environmental laws for the promotion of trade. We have already agreed that that will be the basis of our future trade agreement with Canada, and I ask the hon. Gentleman to judge the Government on what we do, not on what is said.

**Sir Nicholas Soames** (Mid Sussex) (Con): It will be brave man who does not acknowledge your strictures, Madam Deputy Speaker, and I shall stick faithfully to them.

First, I congratulate my right hon. Friend on the energy with which he is preparing the ground for these fiendishly complicated arrangements. May I endorse very strongly what he said about the TTIP process and the absolute need for people to understand clearly what is and is not involved in these questions and negotiations? Will he particularly do much more with our febrile and irresponsible press to convince them that these trade arrangements are not all about toxic chickens?

**Dr Fox:** My right hon. Friend is right: it is important that we explain what is involved. It is also important to genuinely consult, as he says. That is why the Government in their pre-negotiation phase are doing what has never been done to this extent before. Pascal Lamy, the former director-general of the World Trade Organisation, said we are leaving a period in trade which was about the protection of producers and entering one about the precaution of consumers. Our consumers are very much more interested in trade policy today than they have ever been, and therefore they will expect, and we have a duty to provide, the appropriate consultation for them.

**Mr Chris Leslie** (Nottingham East) (Lab/Co-op): This statement is about consultations in advance of future trading arrangements, so will the Secretary of State assure the House that he at no time consulted members of the Conservative European Research Group on their four wrecking amendments wrecking the Chequers arrangement before they were tabled?

**Dr Fox:** Madam Deputy Speaker, of all Members of the House I know what it is like to invoke your wrath, so I will not stray into that territory about what may happen on legislation later today. All I can say is that the Government gave a commitment that before the recess we would come to the House with our proposals for consultation on and scrutiny of new free trade agreements, and that is exactly what we have done.

**John Redwood** (Wokingham) (Con): I strongly support the Government's line that where we have an existing trade agreement through the EU, we are as entitled to take that over for us as it is for the residual EU. I trust my right hon. Friend will just crack on with that and have it ready by March 2019 in case we leave then, while having a different process for a new trade deal, which I am sure the public will welcome.

**Dr Fox:** We have always made it clear, as I did at the beginning of my statement, that there is a distinction between the continuity agreements covered in the Trade Bill that we will debate tomorrow and new free trade agreements, which we promised we would set out the scrutiny procedure for, and that is what has happened today. I know that it sometimes comes as a shock to the House when a Government do exactly as they said they would do in exactly the timescale allocated, but I am afraid that that is exactly what has happened today.

**Tom Brake** (Carshalton and Wallington) (LD): The Secretary of State said in his statement:

“We will ensure that parliamentarians are given the opportunity to consider the level of ambition of the Government's approach to negotiations and the potential implications of any agreements.” Will he therefore confirm that the “potential implications” of, say, a US deal might include chlorinated chicken—toxic or otherwise—hormone-fed beef or GMO food?

**Dr Fox:** The whole point of the negotiation phase, which is one of five phases of a free trade agreement, is that the public set out what they believe the level of ambition should be. Those who want to set restrictions on what they think the Government's mandate in the negotiation should be will be free to express themselves during that period. That is exactly why we are putting this forward, because the worst thing would be to go into a negotiation when the public felt that their views had not been taken into account in any way. As I have said, this is not just about the Government being philanthropic in the trade space; it is also about our self-interest, because it makes the job much easier for the Government and for Parliament if the public feel that they have genuinely been consulted. As my right hon. Friend the Member for Mid Sussex (Sir Nicholas Soames) said, one of the problems with the TTIP process was that the public felt that they had been ignored and that the negotiation had happened from start to finish away from public scrutiny. We have to try to avoid that happening in future if we are to take advantage of the freedom that new free trade agreements will give to the country.

**Greg Hands** (Chelsea and Fulham) (Con): I congratulate my right hon. Friend on outlining the broad parameters of how future trade policy and consultation will work. I think he is on exactly the right lines, particularly with the commitment to primary legislation for each individual

trade deal. Will he tell us a bit more about the consultative roundtables that he has described? One of the things we will discover is that politicians and producer interests will quickly try to get to the front of them, so how will he ensure that consumers, consumer companies and consumer groups will have a proper voice in that consultation?

**Dr Fox:** As I mentioned earlier, one of the key elements will be the setting up of the strategic trade advisory group. We will ensure that we have representatives across that, including small and medium-sized enterprises, consumer representatives, development organisations and non-governmental organisations. I go back to the point that I made earlier: it is absolutely essential that people feel they have been genuinely consulted throughout the process; otherwise, they will say that they do not accept the agreement because there has not been sufficient transparency throughout the process.

**Chris Bryant (Rhondda) (Lab):** I completely agree with the Secretary of State on two things. First, I agree that protectionism is on the rise, which is bad for us in this country. Secondly, I am delighted that he is sticking with the Constitutional Reform and Governance Act 2010, because I wrote those clauses. I want to ask a specific question about deals that we do with new countries. Will every single one of them include human rights clauses?

**Dr Fox:** I refer the hon. Gentleman to the answer that I gave earlier, which was that the Government should be judged on what they are doing. In terms of the agreements we are now looking at and will be debating tomorrow, they all include those. I find it difficult to imagine that, when we have a widespread consultation, that will not be a strong ask of the Government.

**Sir Desmond Swayne (New Forest West) (Con):** But any scrutiny of and consultation on manufactures and food will be limited to tariff and quota, because we will continue to be bound by the *acquis*, won't we?

**Dr Fox:** I am not sure that that question was entirely within the scope of the statement, Madam Deputy Speaker. Even if we are looking purely at goods issues, I think that the ability of the United Kingdom to abolish or reduce to zero tariffs with the United States on cars, for example, would have been something that President Trump would have welcomed last week.

**David Linden (Glasgow East) (SNP):** If Scotland is an equal part of the United Kingdom, why can it not have a seat at the table when we are negotiating the free trade agreements?

**Dr Fox:** Back when we signed the memorandum of understanding, we made it clear that if there are areas where any of the devolved Administrations might have specific interests, that may allow us to have a seat at an international negotiation. Of course, that would involve having to further the Government's position because, remembering that trade is still a reserved matter, we could not go into negotiations with someone sitting on the British side of the table who took a different view from the Government's broader objective for the whole United Kingdom.

**Sir Edward Leigh (Gainsborough) (Con):** My old mum told me that I should not cherry-pick rules. When we try to make free trade agreements with America, for example, will the Secretary of State confirm that, following the Chequers agreement last week, we will have to accept the common rulebook in its entirety and that nothing in those deals can deviate from it?

**Dr Fox:** If that is the agreement that we come to with the European Union, that would be the case, and my hon. Friend is right that there would as a result be some restrictions in the offers that we could make in a free trade agreement—it is pointless to state otherwise. However, there would still be considerable freedom on agricultural tariffs, for example, and on quotas, and many of things that many of the countries with whom we will be negotiating want would still be entirely within our gift.

**Emma Little Pengelly (Belfast South) (DUP):** I welcome the Secretary of State's statement, particularly the commitment to devolved region engagement. However, will he commit to embed and formalise that engagement in this policy, including in relation to the negotiating mandate?

**Dr Fox:** I hope that I have set out the broad direction of travel on that, and we will now be negotiating and holding discussions with and informing the devolved Administrations to see how we can make that work in practice. I say to the hon. Lady in all candour that if trade is to be a reserved issue for the whole UK, it must become self-evident that its benefits are actually for the whole UK.

**Dr Julian Lewis (New Forest East) (Con):** For the avoidance of any doubt, will the Secretary of State confirm that none of these proposed arrangements would in any way be adversely affected if we left the EU without a deal and found ourselves operating on WTO terms?

**Dr Fox:** The arrangements that I have set out today must stand alone and have to apply whatever final agreement we come to with the European Union. They are about the scrutiny of our future trade agreements. There are no pre-conditions attached to how we have devised the mechanism itself.

**Catherine McKinnell (Newcastle upon Tyne North) (Lab):** Appreciating that the scope of this question is about our future trade agreements, a business from my constituency said to me:

"We already work with and export to places like the US, Australia and South Africa, and I fail to see how leaving the single market and the customs union would enhance our ability to do any more of this."

Will the Secretary of State therefore please clarify how that business can contribute to the consultation to ensure that it can actually make something of this new free trade world?

**Dr Fox:** The whole point of free trade agreements is to gain market access where we do not have it today for the benefit of our businesses that want to export. I hope that businesses will outline their level of ambition as each trade agreement is set out so that the Government understand just what they think they could do if markets were more open than they are today.

**Dr Andrew Murrison** (South West Wiltshire) (Con): I congratulate my right hon. Friend on his statement. What reassurance is he able to offer those who say that the inclusion of agri-food in the common rulebook is a sop to farmers in southern Europe and a snub to potential partners in places such as north Africa and Latin America?

**Dr Fox:** One of the most recent comments I have read is that this would stop Britain being able to import food of a standard that we do not currently find acceptable. I have said at the Dispatch Box many times that the Government have no interest whatsoever in reducing the quality of the food that we have in the United Kingdom nor the standards by which it is produced. In any case, if we reduced our standards, that would undermine the reputation of the goods that we sell abroad. It is because of our high standards that, according to Barclays, 57% of Chinese consumers, for example, are willing to pay more for goods made or produced in the UK.

**Ben Lake** (Ceredigion) (PC): The Secretary of State has committed to ensuring that the devolved Administrations are able to inform the Government's approach to negotiations, but will he clarify what role they will have in the negotiations themselves and whether their consent will be sought before any trade agreement is ratified?

**Dr Fox:** I would imagine that, in line with other agreements, we would seek legislative consent from the devolved Administrations where there were elements in which they were required to apply parts of those negotiations. I would hope that, because I believe our interests are one and the same, we would want to work together to ensure that what we get for UK consumers, UK producers and UK exporters are of maximum benefit.

**James Cleverly** (Braintree) (Con): In my experience of public consultations, it is often the case that the people responding are not particularly well informed of the status quo, so will my right hon. Friend ensure that, as we move forward into this new way of working, we inform the public both of the situation as it currently is and of how it would be improved with the free trade agreements that are to be signed?

**Dr Fox:** I am extremely grateful to my hon. Friend for that question, as it is perhaps something I should have included in my statement. He is entirely right that, again to go back to the TTIP example, the public did not feel they were suitably informed. For each of the potential trade agreements, we will make available to the public a summary of what a free trade agreement actually is, the chapters that it constitutes, the specific nature of the country in question in terms of its market and what the opportunities will be. The more information we are able to give to all those stakeholders who will want to be part of the consultation, the better the collective decision we are likely to reach.

**Rebecca Pow** (Taunton Deane) (Con): On that note, bringing people with us by clearly outlining, explaining and engaging with everybody about what is proposed in the new free trade world is essential, and I welcome my right hon. Friend's approach today. This is absolutely the right way to go. Will he confirm that these consultations will be straightforward so that my constituents can get involved in this new free trade world?

**Dr Fox:** We have had a look at what other countries have done, particularly in their online content, and how well it has gone down with those who have been involved in consultation processes. For that reason, I think it is very important that we have an online consultation that is fairly standardised so that the public know what is being asked of them from the information they are given.

**Mr Philip Hollobone** (Kettering) (Con): Will a comprehensive free trade agreement with the United States be more likely or less likely as a result of the White Paper?

**Dr Fox:** It will be dependent on what both sides are willing to concede and on the level of ambition that both sides have. Following my discussions, not least with the President of the United States last week, I am very optimistic that such an agreement is well within the reach of both parties.

**Stephen Kerr** (Stirling) (Con): I welcome my right hon. Friend's statement and congratulate him on the approach he is taking. When will he be able to set out the countries he is hoping to enter into negotiations with?

**Dr Fox:** I expect to be able to do that within days, rather than many weeks.

**Madam Deputy Speaker (Dame Eleanor Laing):** And the prize for patience and perseverance goes to Tom Pursglove.

**Tom Pursglove** (Corby) (Con): Thank you, Madam Deputy Speaker.

My right hon. Friend the Secretary of State met the US President last week. Did the President indicate the US's desire to do a free trade deal with the United Kingdom? If so, how will this consultation help to directly affect and influence that process?

**Dr Fox:** In line with his patience, I take the opportunity to thank my hon. Friend for all the work he did as my Parliamentary Private Secretary. He was one of the best PPSs it has been my pleasure to come across in my 26 years in the House of Commons.

Yes, the United States did show it has an appetite for a free trade deal, and what I think will be of interest to it is our willingness to be extraordinarily transparent and to give Parliament the scrutiny powers that most other countries take for granted.

## Ministerial Code

*Application for emergency debate (Standing Order No. 24)*

**Madam Deputy Speaker (Dame Eleanor Laing):** I now call Pete Wishart to make an application for leave to propose a debate on a specific and important matter that should have urgent consideration under the terms of Standing Order No. 24. The hon. Gentleman has three minutes in which to make his application.

5.9 pm

**Pete Wishart** (Perth and North Perthshire) (SNP): I rise to propose that the House should debate a specific and important matter for urgent consideration, namely section 9.5 of the ministerial code.

I am grateful to you for calling me, Madam Deputy Speaker. This is my third attempt to secure a Standing Order No. 24 debate. So far the result has been zero out of two, but I am hoping for better fortune with this application.

Last Thursday's release of the Department for Exiting the European Union's White Paper "The future relationship between the United Kingdom and the European Union" was nothing less than a farce. Chaotic scenes of Members of Parliament throwing White Papers across the Chamber like frisbees did nothing for the reputation of this House or that of the document itself. At the point when the Secretary of State rose to give his statement neither our office, nor the Labour Whips Office, had received a copy of it. Section 9.5 of the ministerial code states:

"A copy of the text of an oral statement should usually be shown to the Opposition shortly before it is made. For this purpose, 15 copies of the statement and associated documents should be sent to the Chief Whip's Office at least 45 minutes before the statement is to be made. At the same time, a copy of the final text of an oral statement should in all cases be sent in advance to the Speaker."

I do not know whether Mr Speaker did receive a copy of the final text of the statement, but what I do know is that that same White Paper had been given to members of the press at 9 o'clock that morning, compounding the total disrespect to this House.

This was an important statement and an even more important document. The House has been waiting for two years for some kind of negotiating position from Her Majesty's Government. Equally, the EU has been waiting two years, and people from across these isles had been waiting to hear what the Government were going to propose. As you know, Madam Deputy Speaker, Scotland did not vote for this Brexit. We did not endorse it and we want nothing whatsoever to do with it. Shambles and crises are occurring right across Whitehall—these crises seem to be developing by the hour.

May I also take this opportunity to thank Mr Speaker for suspending that chaotic session to ensure that Members had at least a few minutes to skim some of the pages of the White Paper before attempting to hold the Secretary of State to account? What the public must have made of those proceedings is anyone's guess, but it was not the first time that the Department for Exiting the European Union had done this. One instance might have been an accident, but we are starting to see a troubling trend from this Department and others. This is just about the worst possible example of a breach of the ministerial code, and the matter requires more attention from the House. I humbly request an emergency debate to get the answers that the House and the country need.

**Madam Deputy Speaker:** The hon. Gentleman has asked leave to propose a debate on a specific and important matter that should have urgent consideration, namely section 9.5 of the ministerial code. I have listened carefully to the application, which the hon. Gentleman made in his usual excellent, rhetorical manner. I have to tell him that I am not persuaded that this matter is proper to be discussed under Standing Order No. 24. I thank him for his usual excellent and entertaining rhetoric.

## Point of Order

5.13 pm

**Helen Goodman** (Bishop Auckland) (Lab): On a point of order, Madam Deputy Speaker. Whitworth Park School in my constituency is going through a period of considerable turmoil. The interim head, David Stone, and one of his deputies, Amy Aspland, have been pressurising teachers, pupils and parents not to contact their Member of Parliament and interrogating them about the content of the conversations if they have done so. Even prisoners are allowed to have confidential communications with their constituency MP. Furthermore, and misleadingly, people have been accused of “radicalisation”, which is the language the Government use in respect of preventing extremist terrorism. I would be very grateful for your guidance on what I can do to serve my constituents properly. Do you agree with me that at all times British citizens have the right to contact their Member of Parliament and, indeed, that that is essential for the health of our democracy?

**Madam Deputy Speaker (Dame Eleanor Laing)**: I do agree with the hon. Lady—of course I do—and I am sure that every Member of this House will agree with her. I thank her for giving me notice that she wished to raise this matter. There is no doubt whatsoever that everyone who lives in all our constituencies should feel able to raise matters with their elected representatives in order that they can be brought up in Parliament, and that our constituents should be able to do so in every case, without fear of reprisal. It is clearly wrong of anyone, let alone public sector employees, to make any attempt to intimidate our constituents in order to prevent them from contacting us. If the hon. Lady believes, either now or at some future time, that an actual contempt or breach of privilege has been committed, her remedy is to write to Mr Speaker to set out the facts. I am quite sure that Mr Speaker will consider the matter with the gravity that it requires. Meanwhile, I am sure that the hon. Lady will use the range of parliamentary opportunities open to her, which she knows very well, to represent the views of her constituents with her customary vigour.

## Taxation (Cross-border Trade) Bill

*Consideration of Bill, not amended in the Public Bill Committee*

### New Clause 1

#### EU VAT AREA AND PRE-COMMENCEMENT REQUIREMENTS

“(1) It shall be a negotiating objective of Her Majesty’s Government in negotiations on the matters specified in subsection (2) to maintain the United Kingdom’s participation in the EU Customs Union.

(2) Those matters are—

- (a) the United Kingdom’s withdrawal from the European Union, and
- (b) a permanent agreement with the European Union for a period subsequent to the transitional period after the United Kingdom’s withdrawal from the European Union.

(3) It shall be the duty of the Secretary of State to lay a report before the House of Commons in accordance with either subsection (4) or subsection (5).

(4) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has been achieved.

(5) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has not been achieved.

(6) If a report is laid before the House of Commons in accordance with subsection (4), Parts 1 and 2 of this Act shall cease to have effect on the day after that day.

(7) If a report is laid before the House of Commons in accordance with subsection (5), the provisions specified in section 55(1) come into force on the day after that day.

(8) No regulations may be made under section 55(2) for the purpose of appointing a day for the coming into force of paragraph 1 of Schedule 7 (replacement of EU customs duties) unless a report has been laid before the House of Commons in accordance with subsection (5).” —(*Anna Soubry*.)

*This new clause establishes a negotiating objective to maintain the UK’s participation in the EU Customs Union, provides for Parts 1 and 2 of the Act to expire if that objective is met and makes the ending of the retention of EU customs duties conditional upon a report stating that the objective has not been met.*

*Brought up, and read the First time.*

5.16 pm

**Anna Soubry** (Broxtowe) (Con): I beg to move, That the clause be read a Second time.

**Madam Deputy Speaker (Dame Eleanor Laing)**: With this it will be convenient to discuss the following:

New clause 2—*EU VAT area and pre-commencement requirements*—

“(1) It shall be a negotiating objective of Her Majesty’s Government in negotiations on the matters specified in subsection (2) to maintain the United Kingdom’s participation in the EU VAT Area under the arrangements set out through the Union Customs Code and its delegated and implementing legislation.

(2) Those matters are—

- (a) the United Kingdom’s withdrawal from the European Union, and
- (b) a permanent agreement with the European Union for a period subsequent to the transitional period after the United Kingdom’s withdrawal from the European Union.

(3) It shall be the duty of the Secretary of State to lay a report before the House of Commons in accordance with either subsection (4) or subsection (5).

(4) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has been achieved.

(5) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has not been achieved.

(6) If a report is laid before the House of Commons in accordance with subsection (4), Part 3 of this Act shall cease to have effect on the day after that day.

(7) No regulations may be made for the commencement of provisions of Part 3 of this Act unless a report is laid before the House of Commons in accordance with subsection (5)."

*This new clause establishes a negotiating objective to maintain the UK's participation in the EU VAT Area and provides for Part 3 of the Act to expire if that objective is met.*

**New clause 3—Import tariffs under Part 1: restriction—**

"(1) No power of the Treasury or of the Secretary of State to impose tariffs under or by virtue of the provisions specified in subsection (2) may be exercised in respect of goods originating from a country that is a Member State of the European Union.

(2) Those provisions are—

- (a) section 8 (customs tariff),
- (b) section 11 (quotas),
- (c) section 13 (dumping of goods, etc),
- (d) section 14 (agricultural goods), and
- (e) section 15 (international disputes)."

*This new clause prevents tariffs being imposed on goods originating from EU Member States.*

**New clause 4—Import tariffs under Part 1: pegging with EU tariffs—**

"(1) In exercising the powers to impose or vary tariffs under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, the level of those tariffs is the same as that imposed in respect of comparable goods imported into the European Union from third countries.

(2) For the purposes of this section—

- (a) the level of tariffs imposed in respect of comparable goods imported into the European Union shall be determined with reference to EU customs duties (within the meaning of that term given by paragraph 1 of Schedule 7), and
- (b) "third countries" means any country other than the United Kingdom that is not a member of the EU Customs Union."

*This new clause requires tariffs set by the UK to be pegged to EU tariffs.*

**New clause 5—Regulatory alignment: VAT and excise—**

"(1) In exercising the powers under Parts 3 and 4 of this Act, it shall be the duty of the Treasury to secure that, so far as practicable, there is regulatory alignment in respect of VAT and excise with the European Union.

(2) For the purposes of this section, "regulatory alignment" includes, for example—

- (a) the administration of VAT and excise duties on the basis of the same regulatory approach as that required in respect of EU Member States,
- (b) the setting of import VAT with regard to comparable taxation within the European Union, and
- (c) the establishment of a duty deferment scheme comparable to that in operation while the United Kingdom was a member of the European Union."

*This new clause requires regulatory alignment with regard to VAT and excise between new UK arrangements and those within the EU or as a member of the EU.*

**New clause 6—Pre-commencement impact assessment of leaving the EU Customs Union—**

"No Minister of the Crown may appoint a day for the commencement of any provision of this Act until a Minister of the Crown has laid before the House of Commons an impact assessment of—

- (a) disapplying the EU's Common External Tariff, and
- (b) any changes to duties, quotas or associated customs processes made as a consequence of the UK leaving the European Union."

*This new clause would require the Government to produce an impact assessment of any changes to existing cross-border taxation arrangements before any such changes are made.*

**New clause 7—Review of the impact of this Act on the UK economy—**

"(1) Within six months of Royal Assent of this Act, the Chancellor of the Exchequer must publish and lay before both Houses of Parliament an assessment of the impact of the proposed customs regime to be implemented under this Act on—

- (a) the economy of the United Kingdom,
- (b) the different parts of the United Kingdom and different regions of England, and
- (c) individual economic sectors.

(2) The assessment in subsection (1) must so far as practicable analyse the expected difference in outcomes between the proposed customs regime and continued participation in the EU Customs Union.

(3) In this section—

"parts of the United Kingdom" means—

- (a) England,
- (b) Scotland,
- (c) Wales, and
- (d) Northern Ireland;

"regions of England" has the same meaning as that used by the Office for National Statistics."

*This new clause requires the Treasury to publish an assessment on the economic impact of proposed customs regime and compare it to the economic impact of remaining in the EU Customs Union.*

**New clause 8—Review of the impact of this Act on the Northern Ireland—Ireland border—**

"(1) Within six months of Royal Assent of this Act, the Chancellor of the Exchequer must publish and lay before each House of Parliament an assessment of the impact of the proposed customs regime to be implemented under this Act on Northern Ireland and the Republic of Ireland.

(2) The assessment in subsection (1) must so far as practicable analyse the expected difference in outcomes between the proposed customs regime and continued participation in the EU Customs Union.

(3) The assessment must consider—

- (a) the impact of the proposed customs regime on businesses that operate in both Northern Ireland and the Republic of Ireland,
- (b) what, if any, physical infrastructure will be required at the border crossings between Northern Ireland and the Republic of Ireland to enforce the proposed customs regime,
- (c) if, and how, the proposed customs regime preserves the effects of the Belfast Agreement of 10 April 1998, and
- (d) what, if any, rules of the EU Customs Union are included in the proposed customs regime for the purposes of—
  - (i) promoting cooperation between Northern Ireland and the Republic of Ireland,
  - (ii) supporting the economy of the entire island of Ireland, and
  - (iii) preserving the effects of the Belfast Agreement of 10 April 1998."

*This new clause requires the Treasury to assess the impact of the proposed customs regime on Northern Ireland and Ireland, especially on the all-island economy, border crossings, the Good Friday Agreement and future alignment with the EU Customs Union.*

**New clause 9—Parliamentary scrutiny of public notices—**

“(1) Any provision made by a public notice under this Act is subject to annulment in pursuance of a resolution of the House of Commons.

(2) Section 5 of the Statutory Instruments Act 1946 applies to this section as if all references in that Act to a statutory instrument subject to annulment were a reference to a public notice.”

*This new clause allows the House of Commons to annul provisions made by public notice under this Act.*

**New clause 10—Review of free zones—**

“(1) The Treasury shall, within three months of the passing of this Act, carry out a review of the exercise and prospective exercise of the relevant powers relating to free zones.

(2) The review under this section shall in particular consider—

- (a) the economic effects of previous designations under the relevant powers relating to free zones,
- (b) the operation of free zones in other Member States of the European Union,
- (c) the effects of the United Kingdom’s withdrawal from the European Union on the case for the designation of free zones (including the prospective effects of the storage procedure under Part 2 of Schedule 2 in relation to free zones), and
- (d) the prospective designation of Teesport as a free zone.

(3) The Chancellor of the Exchequer shall lay a report of the review under this section before the House of Commons as soon as practicable after its completion.

(4) In this section “the relevant powers relating to free zones” means—

- (a) the power of the Treasury to make an order designating any area in the United Kingdom as a special area for customs purposes under section 100A of CEMA 1979 (designation of free zones), and
- (b) the powers of HMRC Commissioners under section 17 of the Value Added Tax Act 1994 (free zone regulations).”

*This new clause requires a review to be undertaken of the past and possible future exercise of powers to designate free zones and related powers, including comparative information and an analysis of the impact on the case of withdrawal from the EU.*

**New clause 11—Preparedness for a customs union with the European Union—**

“(1) It shall be one of the negotiating objectives of Her Majesty’s Government in negotiations on the matters specified in subsection (2) to create an agreement which allows the United Kingdom to secure tariff free access to the European Union including the potential to participate in a customs union with the European Union, following exit from the European Union.

(2) Those matters are—

- (a) the United Kingdom’s withdrawal from the European Union, and
- (b) a permanent agreement with the European Union for a period subsequent to the transitional period after the United Kingdom’s withdrawal from the European Union.

(3) It shall be the duty of the Secretary of State to lay a report before the House of Commons on the outcome of negotiations on each of the matters specified in subsection (2) in relation to the objective in subsection (1).

(4) A report under this section in relation to the matter specified in subsection (1)(a) shall include an account of—

- (a) the extent to which the negotiating objective has been met,

(b) proposals for the commencement of provisions of Parts 1 and 2, and

(c) proposals for the modification of this Act in the exercise of powers under sections 31 or 54, or otherwise, in consequence of an agreement with the European Union.

(5) The provisions specified in section 55(1) come into force on the day after the day on which a report under subsection (4) is laid before the House of Commons.

(6) A report under this section in relation to the matter specified in subsection (1)(b) shall include an account of—

- (a) the extent to which the negotiating objective has been met, and
- (b) proposals for the modification of this Act in the exercise of powers under sections 31 or 54, or otherwise, in consequence of an agreement with the European Union.”

*This new clause establishes a negotiating objective to secure an agreement which allows the United Kingdom to have tariff free access to the European Union including the potential to participate in a customs union with the European Union, following exit from the European Union, and makes associated provision about reporting and implementation and modification of the Bill as enacted.*

**New clause 12—Implementation of a customs union with the EU as a negotiating objective—**

“(1) It shall be a negotiating objective of Her Majesty’s Government in negotiations on the matters specified in subsection (2) to secure the United Kingdom’s participation in a customs union with the European Union.

(2) Those matters are—

- (a) the United Kingdom’s withdrawal from the European Union, and
- (b) a permanent agreement with the European Union for a period subsequent to the transitional period after the United Kingdom’s withdrawal from the European Union.

(3) It shall be the duty of the Secretary of State to lay a report before the House of Commons in accordance with either subsection (4) or subsection (5).

(4) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has been achieved.

(5) A report under this subsection shall be to the effect that the negotiating objective specified in subsection (1) has not been achieved.

(6) If a report is laid before the House of Commons in accordance with subsection (4), Parts 1 and 2 of this Act shall cease to have effect on the day after that day.

(7) If a report is laid before the House of Commons in accordance with subsection (5), the provisions specified in section 55(1) come into force on the day after that day.

(8) No regulations may be made under section 55(2) for the purpose of appointing a day for the coming into force of paragraph 1 of Schedule 7 (replacement of EU customs duties) unless a report has been laid before the House of Commons in accordance with subsection (5).”

*This new clause establishes a negotiating objective to secure the United Kingdom’s participation in a customs union with the European Union, provides for Parts 1 and 2 of the Act to expire if that objective is met and makes the ending of the retention of EU customs duties conditional upon a report stating that the objective has not been met.*

**New clause 13—Enhanced parliamentary procedure—**

“(1) No regulations to which this section applies may be made except in accordance with the steps set out in this section.

(2) This section applies to—

- (a) the first regulations to be made under—
  - (i) section 8 (the customs tariff);

- (ii) section 9 (preferential rates under arrangements) in respect of any country or territory outside the United Kingdom; and
- (iii) section 39 (charge to export duty);
- (b) any other regulations to be made under section 8 the effect of which is an increase in the amount of import duty payable under the customs tariff in a standard case (within the meaning of that section);
- (c) any other regulations under section 9 the effect of which is an increase in the amount of import duty applicable to any goods set by any regulations to which paragraph (a)(ii) applies;
- (d) any other regulations under section 39 the effect of which is an increase in the amount of export duty payable;
- (e) any regulations under—
  - (i) section 10(1) (preferential rates given unilaterally);
  - (ii) section 11(1) (quotes);
  - (iii) section 13(5) (dumping of goods, foreign subsidies and increases in imports);
  - (iv) section 14(1) (increases in imports or changes in price of agricultural goods); and
  - (v) section 15(1) (international disputes).
- (3) The first step is that a Minister of the Crown must lay before the House of Commons—
  - (a) a draft of the regulations that it is proposed be made;
  - (b) in respect of regulations to be made under section 9 to which this section applies, a statement of the terms of the arrangements made with the government of the country or territory outside the United Kingdom;
  - (c) in respect of regulations to be made under section 10(1), a statement on the matters specified in subsection (4);
  - (d) in respect of regulations to be made under section 11(1), a statement on the matters specified in subsection (5);
  - (e) in respect of regulations to be made under section 14(1), a statement of the reasons for proposing to make the regulations;
  - (f) in respect of draft regulations to be under section 15(1)—
    - (i) a statement of the dispute or other issue that has arisen; and
    - (ii) an account of the reasons why the Secretary of State considers that the condition in section 15(1)(b) has been met.
- (4) The matters referred to in subsection (3)(c) are—
  - (a) the proposed application and non-application of the scheme to each country listed in Parts 2 and 3 of Schedule 3;
  - (b) any proposed conditions for the application of the lower rates or nil rate; and
  - (c) any proposed provisions about the variation, suspension and withdrawal of the application of the lower rates or nil rate.
- (5) The matters referred to in subsection (3)(d) are—
  - (a) in respect of any case where the condition in section 11(2)(a) is met, a statement of the terms of the arrangements made with the government of the country or territory outside the United Kingdom; and
  - (b) in respect of any case where the condition in section 11(2)(b) is met, a statement of the reasons why the Treasury consider it is appropriate for the goods concerned to be subject to a quota.
- (6) The second step is that a Minister of the Crown must make a motion for a resolution in the House of Commons setting out, in respect of proposed regulations of which a draft has been laid in accordance with subsection (3)—
  - (a) in respect of draft regulations to be made under section 8 to which this section applies—
    - (i) the rate of import duty applicable to goods falling within a code given in regulations previously made under section 8 or in the draft of the regulations laid in accordance with subsection (3);

- (ii) anything of a kind mentioned in section 8(3)(a) or (b) by reference to which the amount of any import duty applicable to any goods is proposed to be determined; and
- (iii) the meaning of any relevant expression used in the motion.
- (b) in respect of draft regulations to be made under section 9 to which this section applies, the rate of import duty applicable to goods, or any description of goods, originating from the country or territory.
- (c) in respect of draft regulations to be made under section 11(1)—
  - (i) the amount of import duty proposed to be applicable to any goods that are or are proposed to be subject to a quota; and
  - (ii) the factors by reference to which a quota is to be determined.
- (d) in respect of draft regulations to be made under section 10(1)—
  - (i) each country to which the proposed regulations apply;
  - (ii) the proposed conditions for the application of the lower rates or nil rate, and
  - (iii) the proposed provisions about the variation, suspension and withdrawal of the application of the lower rates or nil rate.
- (e) in respect of draft regulations to be under section 13(5), the amount of import duty proposed to be applicable to any goods that are or are proposed to be subject to a quota.
- (f) in respect of draft regulations to be made under section 14(1)—
  - (i) the proposed additional amount of import duty;
  - (ii) the proposed period for the purposes of section 14(1)(a); and
  - (iii) the proposed trigger price for the purposes of section 14(1)(b).
- (g) in respect of draft regulations to be made under section 15(1), the proposed variation of import duty.
- (h) in respect of draft regulations to be made under section 39 to which this section applies—
  - (i) the rate of export duty applicable to goods specified in the resolution;
  - (ii) any proposed export tariff (within the meaning given in section 39(3)(a)); and
  - (iii) any measure of quantity or size by reference to which it is proposed that the duty be charged.

(7) The third step is that the House of Commons passes a resolution arising from the motion made in the form specified in subsection (6) (whether in the form of that motion or as amended).

(8) The fourth step is that the regulations that may then be made must, in respect of any matters specified in the paragraph of subsection (6) that relate to the section under which the draft regulations are to be made, give effect to the terms of the resolution referred to in subsection (7).”

*This new clause applies an enhanced parliamentary procedure to several of the provisions in the Bill, requiring that the House of Commons pass an amendable resolution authorising (i) the rate of import duty on particular goods; (ii) the key provisions of regulations that set quotas; (iii) the key provisions of regulations that lower import duties for eligible developing countries; (iv) the quota provisions of regulations to give effect to recommendations of the TRA; (v) regulations setting additional import duty on agricultural goods; (vi) regulations varying import duty as a result of an international dispute, and (vii) the rate of export duty on particular goods.*

**New clause 14—Additional regulations requiring the affirmative procedure—**

“(1) No regulations to which this section applies may be made unless a draft has been laid before and approved by a resolution of the House of Commons.

- (2) This section applies to regulations under—
- (a) section 10(4)(a) (meaning of “arms and ammunition”);
  - (b) section 12 (tariff suspension);
  - (c) section 19 (reliefs);
  - (d) section 22 (authorized economic operators);
  - (e) section 30 (general provision for the purposes of import duty);
  - (f) section 42 (EU law relating to VAT);
  - (g) paragraph 2(1) of Schedule 3 (power to add or remove countries from lists in that Schedule);
  - (h) paragraph 1(3) of Schedule 4 (definitions and determinations in relation to goods being “dumped”);
  - (i) paragraph 5 of Schedule 4 (determination of certain matters relating to “injury” to a UK industry);
  - (j) paragraph 26(1) of Schedule 4 (provision for suspension of anti-dumping or anti-subsidy remedies);
  - (k) paragraph 1(2)(c) of Schedule 5 (defining a “significant” increase);
  - (l) paragraph 2 of Schedule 5 (definitions relating to “serious injury” to a UK industry);
  - (m) paragraph 22(1) of Schedule 5 (provision for suspension of safeguarding remedies)

and regulations making provision on the matters in section 11(3)(c).”

*This new clause applies the affirmative resolution procedure to a number of powers in the Bill.*

**New clause 16—Additional regulations requiring the consent of the Scottish Parliament—**

“(1) No regulations to which this section applies may be made unless a draft has been given consent by the Scottish Parliament.

- (2) This section applies to regulations under—
- (a) section 10(4)(a) (meaning of “arms and ammunition”);
  - (b) section 12 (tariff suspension);
  - (c) section 19 (reliefs);
  - (d) section 22 (authorized economic operators);
  - (e) section 30 (general provision for the purposes of import duty);
  - (f) section 42 (EU law relating to VAT);
  - (g) paragraph 2(1) of Schedule 3 (power to add or remove countries from lists in that Schedule);
  - (h) paragraph 1(3) of Schedule 4 (definitions and determinations in relation to goods being “dumped”);
  - (i) paragraph 5 of Schedule 4 (determination of certain matters relating to “injury” to a UK industry);
  - (j) paragraph 26(1) of Schedule 4 (provision for suspension of anti-dumping or anti-subsidy remedies);
  - (k) paragraph 1(2)(c) of Schedule 5 (defining a “significant” increase);
  - (l) paragraph 2 of Schedule 5 (definitions relating to “serious injury” to a UK industry);
  - (m) paragraph 22(1) of Schedule 5 (provision for suspension of safeguarding remedies) and regulations making provision on the matters in section 11(3)(c).
  - (n) section 14 (Increases in imports or changes in price of agricultural goods).”

*This new clause would require Scottish Parliament consent to implement a number of powers in the Bill.*

**New clause 18—Tariffs not to differ from the European Union until House of Commons authority given—**

“(1) Unless and until the House of Commons has passed a resolution in the terms specified in subsection (3), subsection (2) shall apply.

(2) Unless and until the resolution referred to in subsection (1) is passed—

- (a) in exercising the powers to impose or vary tariffs under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, the level of

those tariffs is the same as that imposed in respect of comparable goods imported into the European Union from third countries, and

- (b) no power of the Treasury or of the Secretary of State to impose tariffs under or by virtue of the provisions specified in subsection (5) may be exercised in respect of goods originating from a country that is a Member State of the European Union.

(3) The form of the resolution referred to in subsection (1) is “That this House authorises Her Majesty’s Government to set tariffs that differ from those of the European Union”.

(4) After the House of Commons has passed a resolution in the terms specified in subsection (3), subsection (2) shall no longer apply.

(5) The provisions referred to in subsection (2)(b) are—

- (a) section 8 (customs tariff),
- (b) section 11 (quotas),
- (c) section 13 (dumping of goods, etc),
- (d) section 14 (agricultural goods), and
- (e) section 15 (international disputes).

(6) For the purposes of this section—

- (a) the level of tariffs imposed in respect of comparable goods imported into the European Union shall be determined with reference to EU customs duties (within the meaning of that term given by paragraph 1 of Schedule 7), and
- (b) “third countries” means any country other than the United Kingdom that is not a member of the EU Customs Union.”

*This new clause would require a meaningful vote before the UK Government could introduce tariffs different to those of the EU.*

**New clause 20—Application to Scotland of arrangements for Northern Ireland—**

“(1) No power of the Treasury or of the Secretary of State exercisable under the provisions specified in subsection (2) shall make customs arrangements in respect of goods that originated from a country that is a Member State of the European Union entering Northern Ireland unless one or both of the conditions in subsection (3) is met.

(2) Those provisions are—

- (a) section 8 (customs tariff),
- (b) section 11 (quotas),
- (c) section 13 (dumping of goods, etc),
- (d) section 14 (agricultural goods), and
- (e) section 15 (international disputes).

(3) The conditions are that—

- (a) the customs arrangements that apply to Northern Ireland also apply to Scotland, or
- (b) the Scottish Ministers consent to the arrangements being made.”

*This new clause prevents Northern Ireland being given a special status not available to Scotland, subject to approval by Scottish Ministers.*

**New clause 22—Review of the impact of this Act on the Northern Ireland—Ireland border (No. 2)—**

“(1) Within six months of Royal Assent of this Act, the Chancellor of the Exchequer must publish and lay before each House of Parliament an assessment of the impact on—

- (a) Northern Ireland, and
- (b) the Republic of Ireland,

of the proposed customs regime to be implemented under this Act.

(2) The assessment in subsection (1) must so far as practicable analyse the expected difference in outcomes between the proposed customs regime and continued participation in the EU Customs Union.

(3) The assessment must consider—

- (a) the impact of the proposed customs regime on businesses that operate in both Northern Ireland and the Republic of Ireland,
- (b) what, if any, physical infrastructure will be required at the border crossings between Northern Ireland and the Republic of Ireland to enforce the proposed customs regime,
- (c) if, and how, the proposed customs regime preserves the effects of the Belfast Agreement of 10 April 1998, and
- (d) what, if any, rules of the EU Customs Union are included in the proposed customs regime for the purposes of—
  - (i) promoting cooperation between Northern Ireland and the Republic of Ireland,
  - (ii) supporting the economy of the entire island of Ireland, and
  - (iii) preserving the effects of the Belfast Agreement of 10 April 1998.”

*This new clause requires the Treasury to assess the impact of the proposed customs regime on Northern Ireland and Ireland, especially on the all-island economy, border crossings, the Good Friday Agreement and future alignment with the EU Customs Union.*

**New clause 23—Additional regulations requiring the consent of the Scottish Ministers—**

“(1) No regulations to which this section applies may be made unless a draft has been given consent by the Scottish Ministers.

- (2) This section applies to regulations under—
  - (a) section 10(4)(a) (meaning of “arms and ammunition”);
  - (b) section 12 (tariff suspension);
  - (c) section 19 (reliefs);
  - (d) section 22 (authorized economic operators);
  - (e) section 30 (general provision for the purposes of import duty);
  - (f) section 42 (EU law relating to VAT);
  - (g) paragraph 2(1) of Schedule 3 (power to add or remove countries from lists in that Schedule);
  - (h) paragraph 1(3) of Schedule 4 (definitions and determinations in relation to goods being “dumped”);
  - (i) paragraph 5 of Schedule 4 (determination of certain matters relating to “injury” to a UK industry);
  - (j) paragraph 26(1) of Schedule 4 (provision for suspension of anti-dumping or anti-subsidy remedies);
  - (k) paragraph 1(2)(c) of Schedule 5 (defining a “significant” increase);
  - (l) paragraph 2 of Schedule 5 (definitions relating to “serious injury” to a UK industry);
  - (m) paragraph 22(1) of Schedule 5 (provision for suspension of safeguarding remedies) and regulations making provision on the matters in section 11(3)(c);
  - (n) section 14 (increases in imports or changes in price of agricultural goods).”

*This new clause would require Scottish Government approval to implement a number of powers in the Bill.*

**New clause 25—Review of the impact of this Act on the Scottish economy—**

“(1) Within six months of Royal Assent of this Act, the Chancellor of the Exchequer must publish and lay before each House of Parliament an assessment of the impact of the proposed customs regime to be implemented under this Act on the Scottish economy.

(2) The assessment in subsection (1) must so far as practicable analyse the expected difference in outcomes between the proposed customs regime and continued participation in the EU Customs Union.

- (3) The assessment must consider—

- (a) the impact of the proposed customs regime on businesses that operate in Scotland,
- (b) the impact on public finances in Scotland.”

*This new clause requires the Treasury to assess the impact of the proposed customs regime on Scotland.*

**New clause 26—Import tariffs under Part 1: making tariffs on the EU less or equal to those on third countries—**

“(1) In exercising the powers to impose or vary rates of import duty under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, the level of those rates of import duty in respect of goods imported from the European Union is no greater than those imposed on third countries.

(2) For the purposes of this section “third countries” means any country other than the United Kingdom that is not a member of the EU Customs Union.”

*This new clause requires tariffs set by the UK on EU goods to be no greater than those imposed on any third countries.*

**New clause 27—Import tariffs under Part 1: preventing tariffs on goods from third countries being lower than those on comparable goods from the European Union—**

“(1) In exercising the powers to impose or vary rates of import duty under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, rates of import duty are applied in respect of goods imported from third countries are not set at a lower rate than the rate of import duty set by the European Union in respect of the same goods and countries.

- (2) This section does not apply to—
  - (a) eligible developing countries, or
  - (b) least developed countries.
- (3) For the purposes of this section—
  - (a) “third countries” means any country other than the United Kingdom that is not a member of the EU Customs Union;
  - (b) “eligible developing countries” and “least developed countries” means those countries defined as such in Schedule 3.”

*This new clause would prevent tariffs on goods from third countries being lower than those on comparable goods from the European Union.*

**New clause 28—Import tariffs under Part 1: preventing tariffs on third countries which may cause a dispute with the EU—**

“(1) In exercising the powers to impose or vary rates of import duty under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, rates of import duty are not applied in respect of goods imported from third countries which may jeopardise customs arrangements with the European Union or cause any dispute with the European Union.

(2) For the purposes of this section “third countries” means any country other than the United Kingdom that is not a member of the EU Customs Union.”

*This new clause would prevent a UK Government from entering into customs arrangements with third countries which would jeopardise customs arrangements with the European Union or cause any dispute with the European Union.*

**New clause 29—Import tariffs under Part 1: pegging with EU tariffs—**

“(1) In exercising the powers to impose or vary rates of import duty under or by virtue of the provisions of sections 8 to 15, it shall be the duty of the Treasury and the Secretary of State to secure that, so far as practicable, rates of import duty are the same as those imposed in respect of comparable goods imported into the European Union from third countries.

- (2) For the purposes of this section—
  - (a) the rates of import duty imposed in respect of comparable goods imported into the European Union

shall be determined with reference to EU customs duties (within the meaning of that term given by paragraph 1 of Schedule 7), and

- (b) ‘third countries’ means any country other than the United Kingdom that is not a member of the EU Customs Union.”

*This new clause requires tariffs set by the UK to be pegged to EU tariffs.*

**New clause 30—*Super-affirmative resolution procedure*—**

“(1) For the purposes of this Act, the ‘super-affirmative resolution procedure’ in relation to the making of regulations to which this section applies is as follows.

(2) If a Minister considers it necessary to proceed with the making of regulations to which this section applies, the Minister shall lay before the House of Commons—

- (a) draft regulations,  
 (b) an explanatory document under subsection (3), and  
 (c) a declaration under subsection (4).

(3) The explanatory document must—

- (a) introduce and explain any amendments made to retained EU law by each proposed regulation, and  
 (b) set out the reason why each such amendment is necessary (or, in the case where the Minister is unable to make a statement of necessity under subsection (4)(a), the reason why each such amendment is nevertheless considered appropriate).

(4) The declaration under subsection (2)(c) must either—

- (a) state that, in the Minister’s view, the provisions of the draft regulations do not exceed what is necessary to prevent, remedy or mitigate any deficiency in retained EU law arising from the withdrawal of the United Kingdom from the EU (a “statement of necessity”), or  
 (b) include a statement to the effect that although the Minister is unable to make a statement of necessity the Government nevertheless proposes to exercise the power to make the regulations in the form of the draft.

(5) Subject as follows, if after the expiry of the 21-day period a committee of the House of Commons appointed to consider draft regulations under this section has not reported to the House of Commons a resolution in respect of the draft regulations laid under section 32(2A) or 42(6), the Minister may proceed to make a statutory instrument in the form of the draft regulations.

(6) A statutory instrument containing regulations under subsection (5) shall be subject to annulment in pursuance of a resolution of the House of Commons.

(7) The procedure in subsection (8) to (15) shall apply to the proposal for the draft regulations instead of the procedure in subsection (5) if—

- (a) the House of Commons so resolves within the 21-day period,  
 (b) the committee appointed to consider draft regulations under this section so recommends within the 21-day period and the House of Commons does not by resolution reject the recommendation within that period, or  
 (c) the draft regulations contain provision to—  
 (i) establish a public authority in the United Kingdom,  
 (ii) provide for any function of an EU entity or public authority in a member State to be exercisable instead by a public authority in the United Kingdom established by regulations under sections 42, 43 or schedule 8,  
 (iii) provides for any function of an EU entity or public authority in a member State of making an instrument of a legislative character to be exercisable instead by a public authority in the United Kingdom,

(iv) imposes, or otherwise relates to, a fee in respect of a function exercisable by a public authority in the United Kingdom,

(v) creates, or widens the scope of, a criminal offence, or  
 (vi) creates or amends a power to legislate.

(8) The Minister must have regard to—

- (a) any representations,  
 (b) any resolution of the House of Commons, and  
 (c) any recommendations of a committee of the House of Commons charged with reporting on the draft regulations, made during the 60-day period with regard to the draft regulations.

(9) If, after the expiry of the 60-day period, the Minister wishes to make regulations in the terms of the draft, the Minister must lay before the House of Commons a statement—

- (a) stating whether any representations were made under subsection (8)(a), and  
 (b) if any representations were so made, giving details of them.

(10) The Minister may after the laying of such a statement make regulations in the terms of the draft if it is approved by a resolution of the House of Commons.

(11) However, a committee of the House of Commons charged with reporting on the draft regulations may, at any time after the laying of a statement under subsection (9) and before the draft regulations are approved by that House under subsection (10), recommend under this subsection that no further proceedings be taken in relation to the draft regulations.

(12) Where a recommendation is made by a committee of the House of Commons under subsection (11) in relation to draft regulations, no proceedings may be taken in relation to the draft regulations in the House of Commons under subsection (10) unless the recommendation is, in the same Session, rejected by resolution of the House of Commons.

(13) If, after the expiry of the 60-day period, the Minister wishes to make regulations consisting of a version of the draft regulations with material changes, the Minister must lay before Parliament—

- (a) revised draft regulations, and  
 (b) a statement giving details of—  
 (i) any representations made under subsection (8)(a); and  
 (ii) the revisions proposed.

(14) The Minister may after laying revised draft regulations and a statement under subsection (9) make regulations in the terms of the revised draft if it is approved by a resolution of the House of Commons.

(15) However, a committee of the House of Commons charged with reporting on the revised draft regulations may, at any time after the revised draft regulations are laid under subsection (12) and before it is approved by the House of Commons under subsection (13), recommend under this subsection that no further proceedings be taken in relation to the revised draft regulations.

(16) Where a recommendation is made by a committee of the House of Commons under subsection (14) in relation to revised draft regulations, no proceedings may be taken in relation to the revised draft regulations in the House of Commons under subsection (13) unless the recommendation is, in the same Session, rejected by resolution of the House of Commons.

(17) In this section, references to the ‘21-day’ and ‘60-day’ periods in relation to any draft regulations are to the periods of 21 and 60 days beginning with the day on which the draft regulations were laid before Parliament.”

*This new clause applies an amended version of the super-affirmative resolution procedure to certain powers to make regulations under Schedules 4 and 5, and Clause 42.*

**New clause 31—*VAT deferral scheme*—**

“(1) This section applies if it appears to the Secretary of State that the United Kingdom will cease to be a member of the European Union taxation and customs union.

(2) The Secretary of State must by regulations introduce a domestic deferral scheme for UK importers.

(3) In designing a scheme under subsection (2), the Secretary of State must consult with whichever relevant stakeholders deemed by the Secretary of State to be appropriate.

(4) Regulations under subsection (2) may be made only if a draft of the regulations has been laid before, and approved by resolution of, the House of Commons.”

*This new clause ensures that in the event that the UK is no longer a member of the EU VAT area, the Secretary of State must by draft affirmative regulation introduce a VAT deferral scheme.*

**New clause 32—Rules of origin—**

“(1) Where the exigencies of trade so require, a document proving origin may be issued in the UK in accordance with the rules of origin in force in the country or territory of destination or any other method identifying the country where the goods were wholly obtained or underwent their last substantial transformation. The Secretary of State may by regulations specify—

- (a) the bodies that certificate origin for the purposes of a certificate under subsection (1),
- (b) the specifications of the certificate, and
- (c) any other relevant factor.”

*This new clause would allow a document proving origin to be issued in the UK and would allow the Secretary of State to make regulations specifying the bodies that can issue a certificate and the specifications of a certificate as well as other relevant factors.*

**New clause 33—Additional regulations requiring the affirmative procedure (No. 2)—**

“(1) No regulations to which this section applies may be made unless a draft has been laid before and approved by a resolution of the House of Commons.

(2) This section applies to regulations under—

- (a) section 8(1) (the customs tariff);
- (b) section 14(1) (agricultural goods);
- (c) section 19(1) (reliefs);
- (d) section 22(1) (authorised economic operators);
- (e) section 30 (general provision for the purposes of import duty);
- (f) section 39(1) (export duties);
- (g) section 42(5) (exclusion from principal VAT directive);
- (h) section 47(2) (exclusion from or modification of EU law relating to excise duty).”

*This new clause applies the affirmative resolution procedure to a number of powers in the Bill.*

**New clause 34—Exclusion from tariffs for land border—**

“Upon the United Kingdom’s withdrawal from the European Union, the United Kingdom shall not charge any customs duty or impose any quotas on goods entering the United Kingdom across the land border between the Republic of Ireland and the United Kingdom.”

**New clause 35—Exclusion from tariffs for goods imported from the Republic of Ireland—**

“Part 1 of this Act shall not apply to the import of any good into the United Kingdom from the Republic of Ireland.”

**New clause 36—Prohibition on collection of certain taxes or duties on behalf of territory without reciprocity—**

“(1) Subject to subsection (2), it shall be unlawful for HMRC to account for any duty of customs or VAT or excise duty collected by HMRC to the Government of a country or territory outside the United Kingdom.

(2) Subsection (1) shall not apply if the Treasury declare by Order that arrangements have been entered into by Her Majesty’s Government and that government under which that government will account to HMRC for those duties and taxes collected in that country on a reciprocal basis.”

**New clause 37—Single United Kingdom customs territory—**

“(1) It shall be unlawful for Her Majesty’s Government to enter into arrangements under which Northern Ireland forms part of a separate customs territory to Great Britain.

(2) For the purposes of this section “customs territory” shall have the same meaning as in the General Agreement on Tariffs and Trade, 1947, as amended.”

Amendment 26, in clause 2, page 2, line 3, at end insert

“or goods coming from the EEA”.

*This amendment seeks to remove the Bill’s provisions to grant the UK Government the ability to impose customs on EEA goods.*

Amendment 68, in clause 2, page 2, line 3, at end insert

“or goods entering the United Kingdom across the land border between the Republic of Ireland and the United Kingdom”.

Amendment 69, in clause 2, page 2, line 3, at end insert

“or goods imported into the United Kingdom from the Republic of Ireland.”

**Government amendment 74.**

Amendment 71, in clause 8, page 6, line 6, at end insert—

- “(e) the interests of producers in the United Kingdom,
- (f) the desirability of maintaining United Kingdom standards of animal welfare, food safety and environmental protection.”

*This amendment would require the Treasury, when considering the rate of import duty that ought to apply to any goods, to have regard to the interests of UK producers (e.g. farmers) and to the desirability of ensuring that UK standards of animal welfare, food safety and environmental protection are not undermined by imports produced to lower standards.*

Amendment 119, in clause 8, page 6, line 6, at end insert—

- “(e) the impacts on sustainable development.”

*This amendment requires the Treasury to have regard to Government obligations to sustainable development in considering the rate of import duty.*

**Government amendment 84.**

Amendment 21, in clause 13, page 9, line 18, at end insert—

“(4A) Subsection (4B) applies where the TRA or the Secretary of State is considering whether the application of a remedy, or the acceptance of a recommendation to do so—

- (a) is in the public interest, or
- (b) meets either of the economic interest tests described in paragraph 25 of Schedule 4 or paragraph 21 of Schedule 5.

(4B) In making a consideration to which this subsection applies, notwithstanding the provisions of Schedules 4 and 5, the TRA or the Secretary of State must give special consideration to the need to eliminate the trade distorting effect of injurious dumping and to restore effective competition, and must presume the application of a remedy or the acceptance of a recommendation to do so to be in the public interest and to have met the economic interest test unless this special consideration is significantly outweighed.”

*This amendment ensures that there is a presumption that if dumping is found, a remedial action will be taken.*

Amendment 54, in clause 15, page 10, line 18, at end insert—

“(3) The Secretary of State must lay before the House of Commons an annual report on the exercise of the powers under this section including information on—

- (a) the relevant international law authorising the exercise of the powers in each case, and
- (b) the matters in dispute or issues arising in each case.”

*This amendment requires the Government to report on the circumstances of, and international law basis for, each variation of tariffs as a result of a trade dispute.*

Amendment 55, in clause 22, page 14, line 36, at end insert—

“(4) Within three months of the passing of this Act, the Chancellor of the Exchequer must lay before the House of Commons a report on the proposed exercise of the power of the HMRC Commissioners to make regulations under subsection (1), including in particular—

- (a) the proposed criteria to be applied in determining whether or not any person should be an authorised economic operator,
- (b) an assessment of the structure of the authorised economic operator system in Germany, Austria and such other countries as the Chancellor of the Exchequer considers relevant,
- (c) the proposed differences between the structure that is proposed to be established by the first exercise of the power to make regulations under subsection (1) and each of those structures described in accordance with paragraph (b),
- (d) the level of proposed resources to be allocated by the HMRC Commissioners for the authorisation of new authorised economic operators, and
- (e) the target timetable for the authorisation of—
  - (i) new authorised economic operators in each class, and
  - (ii) authorised economic operator certification renewals in each class.”

*This amendment requires the Government to report on the proposed operation of the powers of the HMRC under Clause 22, including comparative information.*

Amendment 33, in clause 25, page 17, line 2, leave out “Data Protection Act 1998” and insert “data protection legislation”.

*This amendment and Amendment 34 seeks to provide that the powers of disclosure cannot be exercised in breach of the updated data protection framework to be enshrined in the Data Protection Act 2018.*

Amendment 34, in clause 25, page 17, line 4, at end insert—

“(8) In this section, “the data protection legislation” has the same meaning as in the Data Protection Act 2018.”

Amendment 70, page 18, line 11, leave out clause 31.

Amendment 72, in clause 31, page 18, line 34, at end insert—

“(4A) In the case of a customs union between the United Kingdom and the European Union, Her Majesty may not make a declaration by Order In Council under subsection (4) unless the arrangements have been approved by an Act of Parliament.”

*This amendment provides that the delegated powers under this clause may not be exercised until a proposed customs union with the European Union has been approved by a separate Act of Parliament.*

Amendment 8, page 18, line 38, at beginning insert “subject to subsection (8)”.

*This amendment paves the way for Amendment 9.*

Amendment 9, page 19, line 10, at end insert—

“(8) When the power under subsection (4) has been exercised in respect of a customs union between the United Kingdom and the European Union, the powers in subsections (4) and (5) may not be exercised so as to—

- (a) provide that that customs union shall cease to have effect, or

- (b) modify or disapply provision made by or under any other Act in a way that provides that that customs union shall cease to have effect.”

*This amendment would prevent the delegated powers under Clause 31 being used to end a customs union once the transition period has finished. It provides that the delegated powers under Clause 31, once exercised in relation to a customs union with the EU, cannot be exercised to provide for departure from such a union.*

Amendment 56, in clause 32, page 19, line 14, leave out subsections (2) to (4).

*This amendment is consequential on NC33.*

Government amendment 75.

Amendment 35, in clause 32, page 19, line 18, at end insert—

- “(c) regulations under paragraph 4(2), 9(3) or 14(4) of Schedule 4.”

*This amendment provides for regulations made under certain provisions of Schedule 4 (regarding dumping of goods or foreign subsidies causing injury to UK industry) to be subject to the made affirmative procedure rather than the negative procedure.*

Amendment 36, page 19, line 18, at end insert—

- “(c) regulations under paragraph 1(2), 3(2), 4(2) or 5 of Schedule 5.”

*This amendment provides for regulations made under certain provisions of Schedule 5 (regarding an increase in imports causing serious injury to UK producers) to be subject to the made affirmative procedure rather than the negative procedure.*

Government amendment 76.

Amendment 37, page 19, line 21, at end insert—

“(2A) Section (Super-affirmative resolution procedure) applies to regulations under paragraph 1(3), 3(5), 5(2), or 6(2) of Schedule 4.”

*This amendment provides for regulations made under certain provisions of Schedule 4 (regarding dumping of goods or foreign subsidies causing injury to UK industry) to be subject to the superaffirmative resolution procedure, as defined in NC12.*

Amendment 38, page 19, line 21, at end insert—

“(2A) Section (Super-affirmative resolution procedure) applies to regulations under paragraph 2(2) or 2(3) of Schedule 5.”

*This amendment provides for regulations made under certain provisions of Schedule 5 (regarding an increase in imports causing serious injury to UK producers) to be subject to the superaffirmative resolution procedure, as defined in NC12.*

Amendment 57, page 19, line 32, leave out “subsection (2)” and insert

“section (Additional regulations requiring the affirmative procedure (Amendment 2))”.

*This amendment is consequential on NC33.*

Amendment 39, page 19, line 32, after “(2)” insert “or (2A)”.

*This amendment is consequential to Amendment 38.*

Amendment 40, page 27, line 5, after second “to”, insert “number”.

*This amendment clarifies that goods may be defined for the purposes of the export tariff simply by reference to their number.*

Government amendment 77.

Amendment 41, in clause 39, page 27, line 12, at end insert—

- “(aa) the interests of manufacturers in the United Kingdom.”

*This amendment requires the Treasury to have regard to the interests of manufacturers in considering the rate of export duty.*

Amendment 42, page 27, line 17, at end insert “and (e) the public interest.”

Amendment 120, page 27, line 17, at end insert “and  
(e) the impacts on sustainable development.”

*This amendment requires the Treasury to have regard to Government obligations towards sustainable development in considering the rate of export duty.*

Amendment 58, in clause 40, page 27, line 35, leave out subsections (2) to (4).

*This amendment is consequential on NC33.*

Amendment 59, page 28, line 7, leave out “subsection (2)” and insert

“section (Additional regulations requiring the affirmative procedure (Amendment 2))”.

*This amendment is consequential on NC33.*

Amendment 43, in clause 42, page 29, line 23, leave out subsection (1).

*This amendment would be to remove from the Bill the provision that retained EU law on VAT should not have effect, despite forming part of UK law as a result of Clause 3 of the European.*

Amendment 44, page 29, line 44, leave out from “regulation” to end of line 45.

*The effect of this amendment would be to ensure that the UK Government does not exclude aspects of the EU’s principal VAT Directive that remain relevant by delegated legislation.*

Government amendment 78.

Amendment 45, page 30, line 1, leave out subsection (6) and insert—

“(6) Section (Super-affirmative resolution procedure) applies to regulations made under this section.”

*This amendment applies the super-affirmative resolution procedure, described in NC12, to regulations made under this section.*

Amendment 60, page 30, line 1, leave out subsection (6).

*This amendment is consequential on NC33.*

Government amendment 79.

Amendment 62, page 30, line 12, at end insert—

“(9) This section shall, subject to subsection (10), cease to have effect at the end of the period of three years beginning with the day on which this Act is passed.

(10) The Treasury may by regulations provide that this section shall continue in force for an additional period of up to three years from the end of the period specified in subsection (9).

(11) The power to make regulations under subsection (10) may only be exercised once.

(12) No regulations may be made under subsection (10) unless a draft has been laid before and approved by a resolution of the House of Commons.”

*This amendment sunsets the provisions of Clause 42.*

Amendment 63, in clause 45, page 31, line 25, at end insert—

“(5) This section shall, subject to subsection (6), cease to have effect at the end of the period of three years beginning with the day on which this Act is passed.

(6) The Treasury may by regulations provide that this section shall continue in force for an additional period of up to three years from the end of the period specified in subsection (5).

(7) The power to make regulations under subsection (7) may only be exercised once.

(8) No regulations may be made under subsection (7) unless a draft has been laid before and approved by a resolution of the House of Commons.”

*This amendment sunsets the provisions of Clause 45.*

Government amendment 80.

Amendment 64, in clause 47, page 33, line 7, at end insert—

“(5) This section shall, subject to subsection (6), cease to have effect at the end of the period of three years beginning with the day on which this Act is passed.

(6) The Treasury may by regulations provide that this section shall continue in force for an additional period of up to three years from the end of the period specified in subsection (5).

(7) The power to make regulations under subsection (7) may only be exercised once.

(8) No regulations may be made under subsection (7) unless a draft has been laid before and approved by a resolution of the House of Commons.”

*This amendment sunsets the provisions of Clause 47.*

Government amendment 81.

Amendment 22, in clause 48, page 33, line 29, at end insert—

“(5A) No regulations may be made under section 47 unless a draft has been laid before, and approved by a resolution of, the House of Commons.”

Government amendment 23.

Amendment 61, page 33, line 31, leave out “applies” and insert

“or section (Additional regulations requiring the affirmative procedure (Amendment 2)) apply”.

*This amendment is consequential on NC33.*

Amendment 46, in clause 51, page 34, line 39, leave out second “appropriate” and insert “necessary”.

*This amendment provides that the power to make regulations about VAT, customs duty and excise duty in consequence of UK withdrawal from the EU is only exercised when it is necessary to do so.*

Government amendment 82.

Amendment 10, page 35, line 1, leave out paragraph (a).

*This amendment prevents regulations under Clause 51 from making any provision as might be made by an Act of Parliament.*

Amendment 67, page 35, line 2, after “Act”, insert “other than provision creating a delegated power”.

*This amendment removes the power for regulations made under Clause 51 to create further delegated powers (tertiary legislation).*

Amendment 47, page 35, line 4, at end insert—

“(c) may not be made after 29 March 2021.

“(2A) The Secretary of State may by regulations amend the date in paragraph (1)(c) to ensure that the day specified is the day that any transition period related to the United Kingdom’s withdrawal from the European Union comes to an end.

(2B) A statutory instrument containing regulations under subsection (2A) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.”

*This amendment inserts a sunset provision that disallows any regulations to be made under Clause 51 after 29 March 2021, while also allowing the Secretary of State to alter that date, by regulations subject to the affirmative procedure, in the event that this is not the date on which any transition period following the United Kingdom’s withdrawal from the European Union comes to an end.*

Amendment 48, page 35, line 10, after “section” insert “, apart from regulations under subsection (2A),”.

*This amendment is consequential to Amendment 47.*

Amendment 49, page 35, line 25, after “apply” insert “, apart from regulations under subsection (2A),”.

*This amendment is consequential to Amendment 47.*

Amendment 65, page 35, line 38, at end insert—

“(10) This section shall, subject to subsection (11), cease to have effect at the end of the period of three years beginning with the day on which this Act is passed.

(11) The Treasury may by regulations provide that this section shall continue in force for an additional period of up to three years from the end of the period specified in subsection (10).

(12) The power to make regulations under subsection (11) may only be exercised once.

(13) No regulations may be made under subsection (11) unless a draft has been laid before and approved by a resolution of the House of Commons.”

*This amendment sunsets the provisions of Clause 51.*

Amendment 50, in clause 54, page 37, line 5, leave out second “appropriate” and insert “necessary”.

*This amendment ensures that regulations making consequential and transitional provision may only be made when necessary.*

Amendment 51, page 37, line 14, leave out “appropriate” and insert “necessary”.

*This amendment ensures that regulations making consequential and transitional provision may only be made when necessary.*

Amendment 2, in clause 55, in clause 55, page 38, line 15, leave out from “force” to end of line 16 and insert

“in accordance with the provisions of section (EU Customs Union and pre-commencement requirements) (7).”

*This amendment is consequential on NC1.*

Amendment 13, page 38, line 15, leave out from “force” to end of line 16 and insert

“in accordance with the provisions of section (Preparedness for a customs union with the European Union) (5)”.

*This amendment is consequential on NC11.*

Amendment 20, page 38, line 15, leave out from “force” to end of line 16 and insert

“in accordance with the provisions of section (Implementation of a customs union with the EU as a negotiating objective) (7)”.

*This amendment is consequential on NC12.*

Amendment 5, page 38, line 17, leave out paragraphs (a) to (d) and insert—

“(a) section (Pre-commencement impact assessment of leaving the EU Customs Union), and”.

*This amendment is consequential on NC6.*

Amendment 52, page 38, line 17, after “(2)”, insert “and (2A)”.

*This amendment paves the way for Amendment 53.*

Amendment 6, page 38, line 24, leave out subsection (2).

*This amendment is consequential on NC6.*

Amendment 3, page 38, line 32, at end insert—

“(2A) No regulations may be made for the purpose of appointing a day for the coming into force of paragraph 1 of Schedule 7 (replacement of EU customs duties) unless a draft has been laid before, and approved by a resolution of, the House of Commons.”

*This amendment requires regulations commencing paragraph 1 of Schedule 7 to be subject to the affirmative procedure.*

Amendment 4, page 38, line 32, at end insert—

“(2A) No regulations may be made for the purpose of appointing a day for the coming into force of any provision in Part 3 (amending or superseding EU law relating to VAT) unless a draft has been laid before, and approved by a resolution of, the House of Commons.”

*This amendment requires regulations commencing provisions in Part 3 to be subject to the affirmative procedure.*

Amendment 28, page 38, line 32, at end insert—

“(2A) Regulations under subsection (2) may not be made until the Secretary of State has consulted with the Scottish Ministers on the effect of deviating from EU levels of import duties in relation to—

- (a) preferential rates,
- (b) dumping of goods and foreign subsidies,
- (c) international disputes,
- (d) replacement of EU trade duties.”

*This amendment would require the UK Government to consult Scottish Ministers before deviating from EU levels of import duties in relation to (a) preferential rates (b) dumping of goods and foreign subsidies (c) international disputes (d) replacement of EU trade duties.*

Amendment 29, page 38, line 32, at end insert—

“(2A) The following provisions come into force on such day as the Secretary of State may be regulations under this section appoint—

- (a) section 41 (abolition of acquisition VAT and extension of import VAT),
- (b) section 42 (EU law related to VAT), and
- (c) section 43 and Schedule 8 (VAT amendment connected with withdrawal from EU).

(2B) Regulations under subsection (2A) may not be made until the Secretary of State has consulted with the Scottish Ministers on—

- (a) the effect of leaving the EU VAT area on the lawful importation of goods into the United Kingdom from the European Union, and
- (b) the effect of abolishing acquisition VAT and extending import VAT on the lawful importation of goods into the United Kingdom from the European Union.”

*This amendment would require the UK Government to consult with Scottish Ministers before leaving the EU VAT Area before any system of upfront import VAT could be applied.*

Amendment 31, page 38, line 32, at end insert—

“(2A) Regulations under subsection (2) may not be made until the Secretary of State has laid before the House of Commons an impact assessment that considers the effect on Scotland of deviating from EU levels of import duties in relation to

- (a) preferential rates
- (b) dumping of goods and foreign subsidies
- (c) international disputes
- (d) replacement of EU trade duties.”

*This amendment would require the UK Government to make a Scottish impact assessment on the effects of deviating from EU levels of import duties in relation to (a) preferential rates (b) dumping of goods and foreign subsidies (c) international disputes (d) replacement of EU trade duties.*

Amendment 53, page 38, line 32, at end insert—

“(2A) The following provisions come into force on such day as the Secretary of State may be regulations under this section appoint—

- (a) section 41 (abolition of acquisition VAT and extension of import VAT),
- (b) section 42 (EU law related to VAT), and
- (c) section 43 and Schedule 8 (VAT amendment connected with withdrawal from EU).

(2B) Regulations under subsection (2A) may not be made until the Secretary of State has laid before the House of Commons an impact assessment that considers—

- (a) the effect of leaving the EU VAT area on the lawful importation of goods into the United Kingdom from the European Union, and
- (b) the effect of abolishing acquisition VAT and extending import VAT on the lawful importation of goods into the United Kingdom from the European Union.”

*This amendment would require the UK Government to make an impact assessment on the effects of leaving the EU VAT Area before any system of upfront import VAT could be applied to goods lawfully being imported into the UK from the European Union under EU Law.*

Amendment 7, page 38, line 34, at end insert—

“(3A) Subsection (3) is subject to section (Pre-commencement impact assessment of leaving the EU Customs Union).”

*This amendment is consequential on NC6.*

Amendment 15, in schedule 4, page 58, line 2, after “consumption”, insert “by independent customers”.

*This amendment requires the comparable price for the purposes of determining the normal value to be assessed with respect to consumption by independent customers.*

Amendment 16, page 58, line 4, at end insert “sub-paragraphs (2A) to (2L) and with”.

*This amendment paves the way for Amendment 17.*

Amendment 17, page 58, line 6, at end insert—

“(2A) For the purposes of sub-paragraph (2) the following shall apply.

(2B) Where the exporter in the exporting country does not produce or does not sell the like goods, the normal value may be established on the basis of prices of other sellers or producers.

(2C) Prices between parties which appear to be associated or to have a compensatory arrangement with each other shall not be considered to be in the ordinary course of trade and shall not be used to establish the normal value unless it is determined that they are unaffected by the relationship.

(2D) Sales of the like goods intended for consumption in the exporting foreign country or territory shall normally be used to determine the normal value if such sales volume constitutes 5% or more of the sales volume exported to the United Kingdom, but a lower volume of sales may be used when, for example, the prices charged are considered representative for the market concerned.

(2E) When there are no or insufficient sales of the like goods in the ordinary course of trade, or where, because of the particular market situation, such sales do not permit a proper comparison, the normal value shall be calculated on the basis of—

- (a) the cost of production in the country of origin plus a reasonable amount for selling, general and administrative costs and for profits, or
- (b) the export prices, in the ordinary course of trade, to an appropriate third country, provided that those prices are representative.

(2F) Sales of the like goods in the domestic market of the exporting foreign country or territory, or export sales to a third country, at prices below unit production costs plus selling, general and administrative costs shall be treated as not being in the ordinary course of trade by reason of price, and disregarded in determining the normal value, if it is determined that such sales are made within an extended period in substantial quantities, and are at prices which do not provide for the recovery of all costs within a reasonable period of time.

(2G) The amounts for selling, for general and administrative costs and for profits shall be based whenever possible on actual data pertaining to production and sales, in the ordinary course of trade, of the like product by the exporter or producer under investigation.

(2H) When it is not possible to determine such amounts on the basis prescribed in sub-paragraph (2G), the amounts may be determined on the basis of—

- (a) the weighted average of the actual amounts determined for other exporters or producers subject to investigation in respect of production and sales of the like product in the domestic market of the country of origin,
- (b) the actual amounts applicable to production and sales, in the ordinary course of trade, of the same general category of products for the exporter or producer in question in the domestic market of the country of origin,
- (c) any other reasonable method, provided that the amount for profit so established shall not exceed the profit normally realised by other exporters or

producers on sales of products of the same general category in the domestic market of the country of origin.

(2I) If the TRA determines that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions, the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, subject to the following provisions.

(2J) “Significant distortions” for this purpose means distortions which occur when reported prices or costs, including the costs of raw materials and energy, are not the result of free market forces because they are affected by substantial government intervention.

(2K) The TRA shall use the corresponding costs of production and sale in an appropriate representative country with a similar level of economic development as the exporting country, provided the relevant data are readily available; and, where there is more than one such country, preference shall be given, where appropriate, to countries with an adequate level of social and environmental protection.

(2L) If such data are not available, the TRA may use any other evidence it deems appropriate for establishing a fair normal value, including undistorted international prices, costs, or benchmarks; or costs in the exporting country to the extent that they are positively established not to be distorted.”

*This amendment makes further provision on the face of the Bill about how the normal value and the comparable price are to be determined in certain circumstances.*

Amendment 18, page 58, line 6, at end insert—

“(2M) A fair comparison shall be made between the export price and the normal value.

(2N) The comparison for the purposes of sub-paragraph (4) shall be made at the same level of trade and in respect of sales made at, as closely as possible, the same time and with due account taken of other differences which affect price comparability.

(2O) Where the normal value and the export price as established are not on such a comparable basis, due allowance, in the form of adjustments, shall be made in each case, on its merits, for differences in factors which are claimed, and demonstrated, to affect prices and price comparability.”

*This amendment provides for fair comparison between the export price and the normal value.*

Amendment 19, page 58, leave out lines 8 to 15 and insert—

“(a) to provide guidance with respect to the application of sub-paragraphs (2) to (2O).”

*This amendment replaces the provision for definitions of key terms and the determination of related matters in individual cases with guidance about the application of the existing provisions and those contained in Amendments 17 and 18.*

Amendment 25, page 58, line 12, and end insert—

“(v) ‘specified cases where it is not appropriate to use the price in paragraph 2(a)’ including details on determining normal value in the presence of state distortions and non-market economy situations.”

*This amendment would provide certainty by placing a marker in primary legislation to ensure that secondary legislation will clarify how, in anti-dumping investigations, the TRA will calculate the level of dumping for cases where the domestic prices of the alleged dumped imports cannot be used.*

Government amendments 103 to 112.

Amendment 24, page 76, line 12, at end insert—

“25A (1) The TRA shall, in determining the amount which it is satisfied would be adequate to remove the injury described in paragraph 14(3)(b) or 18(4)(b), take account of all elements of the material injury being caused to the UK industry, including, but not limited to, the impact of reduced sales volumes, price suppression and curtailment of investment. Regulations may make further provision for this purpose.

(2) Regulations may make provision for specific circumstances in which paragraph 14(3)(b) or 18(4)(b) may not apply.”

Amendment 32, page 76, line 12, at end insert—

“25A (1) The TRA shall, in determining the amount which it is satisfied would be adequate to remove the injury described in paragraph 14(3)(b) or 18(4)(b), take account of all elements of the material injury being caused to UK industry, consumers and public administration and finances, including, but not limited to, the impact of reduced sales volumes, price suppression, curtailment of investment and availability of goods. Regulations may make further provision for this purpose.

(2) Regulations may make provision for specific circumstances in which paragraph 14(3)(b) or 18(4)(b) may not apply.

(3) No regulations may be made under sub-paragraph (2) unless—

- (a) A Minister of the Crown has made a statement to the House of Commons that Her Majesty’s Government has negotiated with the relevant foreign government in order to remedy the activity causing injury to UK industry;
- (b) lay before the House of Commons an impact assessment of implementing the regulations; and
- (c) a draft of those regulations has been laid before, and approved by a resolution of, the House of Commons.”

*This amendment ensures the TRA considers a wider range of economic variables when considering policy responses to trade disputes and allows UK ministers to make associated regulations setting aside this wider set of considerations, so long as the UK Government has entered negotiations with the third country in question, provided an impact assessment on policy changes and that the policy change has been approved by a resolution in the House of Commons.*

Government amendment 113.

Government amendments 85 to 96.

Government amendment 114.

Government amendments 97 and 98.

Government amendments 115 and 116.

Government amendment 99.

Government amendments 117 and 118.

Government amendments 100 to 102.

Amendment 11, in schedule 7, page 122, line 35, at end insert—

“88A (1) Section 100A (designation of free zones) is amended as follows.

(2) After subsection (2), insert—

‘(2A) The Treasury must, no later than 2 years after the passing of the Taxation (Cross-border Trade) Act 2018, exercise the power under subsection (1) to designate Teesport as a free zone.’

(3) After subsection (3), insert—

‘(3A) The first exercise of the power under subsection (1) in pursuance of the duty under subsection (2A) shall be for a period of no less than 5 years.’”

*This amendment requires the Treasury to designate Teesport as a free zone for customs purposes.*

Amendment 73, in schedule 8, page 135, leave out paragraph 14.

Government amendment 83.

**Anna Soubry:** I rise to speak in support of new clause 1 and new clause 12, and I shall also seek to speak briefly against new clause 36 and amendment 73. I hope that there will be Divisions, in the event of which I will vote against new clause 36 and amendment 73. It is my firm view that it is deeply regrettable that the Government have accepted the new clause and amendment, even though they clearly seek to undermine, if not wreck, the great advances made in the White Paper.

I shall speak, as I like to think I always do, with openness, frankness and honesty. When I became a Business Minister in David Cameron’s Government in 2015, I would be the first to admit that I did not know the finer details of how many of our manufacturing industries and businesses actually worked. I knew about supply chains and their value, but I could not claim, in any way, shape or form, to be particularly familiar with them. I relished my brief, though, so I was soon enmeshed in the manufacturing sector in particular. For example, I had responsibility for the automotive sector, aerospace and, of course, the steel industry, which many Members will remember was having a particularly difficult time. I soon became not quite an expert, but I certainly knew my brief. I understood how supply chains worked, the value of frictionless trade and what this thing called “just in time” was really all about. I had never actually seen it, though, until Friday, when I went to the Toyota factory at Burnaston, which is just outside Derby. I would make it compulsory for every single Member to go to Toyota—they could go to another car manufacturer in Swindon, or to Nissan in Sunderland, as I did shortly after the EU referendum—so that they could begin to understand what a supply chain is, why it relies on frictionless borders and what “just in time” means.

Let me give Members a bit of history about that remarkable Toyota plant just outside Derby. It is actually a legacy to Margaret Thatcher. It opened at the beginning of the 1990s. Some of us are old enough to remember those times and what had happened in many of our traditional manufacturing industries. My right hon. Friend the Member for Loughborough (Nicky Morgan), who is sitting next to me, has a business in her constituency called Brush. It is a long-standing business that has provided good-quality jobs for generations. I had Siemens in my constituency. At one time, I had a number of miners who worked in local pits in north Nottinghamshire and in Derbyshire. In due course, those pits closed, as did Siemens.

When we talk about Brexit, people extrapolate all sorts of things from the vote. One thing that definitely occurred—I know that it occurred for people in my constituency—was that a number of people voted leave because they felt left behind by what we call this global world and the global way of doing business. These people used to work, often down the pits in Nottinghamshire—I am from Worksop, so I understand the sort of lives that miners had and I have no romantic attachment to the coal mining industry—and in factories such as Siemens in high-quality jobs. Those jobs invariably paid good money, but they also added even more value to people’s lives. It was not just about the fact that it was work, which is, in itself, the right thing to do; it was not just the wages, which, in the deep coal mines in Nottinghamshire and at Siemens, were very good; and it was not just the trade and the skills that they conveyed—it was also that feeling of community and being valued. It was about all those great traditional British manufacturing values, which, in truth, began to disappear through the ’80s and into the ’90s. What the great Japanese car manufacturers brought back was much of that high-valued, highly skilled, super-effective and super-efficient manufacturing industry. That practice was not just confined to the automotive sector, because it runs right across many other sectors in manufacturing, which makes up 20% of our economy.

I say to all Conservative Members, “Shame on you if you have a manufacturer in your constituency that you have not been to to understand how a modern

manufacturing business works and how it needs frictionless trade for the supply chains to work. Shame on you if you have not taken the opportunity to go to those places that might be outwith your constituency, but where your constituents work.” I say that very gently—

**Charlie Elphicke** (Dover) (Ind) *rose*—

**Anna Soubry:** I will take my hon. Friend’s intervention in a moment, but not yet.

I say that very gently to my hon. Friend the Member for Mansfield (Ben Bradley), as many of his constituents work in exactly the sorts of manufacturing industries that I am describing. No doubt, like a number of my constituents, some of them work at Toyota. When Members see how these wonderful manufacturing businesses work—whether it is ceramics, cars, automobiles, potteries or glass—they will understand the importance of frictionless trade. What that means in the real world is that, at Toyota in Burnaston, parts arrive on lorries, which have come through the tunnel and straight up the motorway, and within three hours they are on the assembly line. It is an astonishing and an incredible achievement that this country should be proud of. It is part of Margaret Thatcher’s legacy—

**Sir Edward Leigh** (Gainsborough) (Con): Will my right hon. Friend give way?

**Anna Soubry:** I will take my hon. Friend’s intervention in a moment.

It was Margaret Thatcher who, as a proud Conservative, championed free trade. I am a Tory. I believe in business. I believe in capitalism and in enterprise. I believe in our economy as it provides jobs and prosperity. It is indeed an engine of aspiration for so many of my constituents who want to see themselves going into apprenticeships at Rolls-Royce as much as they would like to go the finest universities.

**Sir Edward Leigh:** I knew Margaret Thatcher; I worked for Margaret Thatcher. My right hon. Friend ain’t no Margaret Thatcher.

**Anna Soubry:** I do not pretend to be able to walk in Margaret Thatcher’s boots, but I have read her speeches about the advantages of the single market. She was a huge champion—probably the biggest champion—of the single market. It was Margaret Thatcher who went over to Japan and promised the Japanese that our country would always stay in the single market. On that basis, Japanese business invested billions of pounds in this country.

My hon. Friend attacks me in a wholly unnecessary and really rather foolish way, but I hope that he will speak freely and honestly in our debate and give his assessment of what is facing our country if we do not get Brexit right. It is all well and good for Members to have their ideologically-driven, hard Brexit ideas when they are not able to face up to the reality of what they mean for people in my constituency and the rest of our country.

**Sir Desmond Swayne** (New Forest West) (Con): Will my right hon. Friend give way?

**Sir Bernard Jenkin** (Harwich and North Essex) (Con): Will my right hon. Friend give way?

**Charlie Elphicke:** Will my right hon. Friend give way?

**Anna Soubry:** In a moment.

The reality, which is faced in the White Paper, is that if we do not deliver frictionless trade in the way in which companies such as Toyota need and demand, they will simply not be able to operate. Some 81% of Toyota cars produced at Burnaston are exported into the European Union. And before anybody says, “Well, there will be new markets”—those unicorns that our Government will be chasing in new deals—please understand how the modern manufacturing industry works. Companies such as Toyota already make cars in other parts of the world to satisfy and supply the local market.

**Nicky Morgan** (Loughborough) (Con): Will my right hon. Friend give way?

**Charlie Elphicke:** Will my right hon. Friend give way?

**Anna Soubry:** I will give way to my right hon. Friend the Member for Loughborough and then I will come down the row.

**Nicky Morgan:** Does not the intervention on my right hon. Friend made by our hon. Friend the Member for Gainsborough (Sir Edward Leigh) show what is the matter with this Brexit debate? Rather than talking about the detail and the risk to thousands of jobs across the country in our manufacturing sector—the Conservative party has championed that sector since 2010—he prefers to trade insults and trade on personalities.

**Anna Soubry:** Here is a surprise: I completely agree with my right hon. Friend.

**Charlie Elphicke:** Will my right hon. Friend give way?

**Anna Soubry:** I will.

**Sir Desmond Swayne** *rose*—

**Sir Bernard Jenkin** *rose*—

**Anna Soubry:** I said that I would go down the row first. In a moment gents; hang on.

**Charlie Elphicke:** I have been listening with great interest to my right hon. Friend’s speech. I am a former remainder and fellow believer in free enterprise, which was why I set out a detailed plan on how we can have frictionless trade using the World Trade Organisation trade facilitation agreement that was entered into in 2017.

My constituents have some questions that I would like to pose to my right hon. Friend. Why is it that so many lorries come in through Dover laden with goods yet so many return empty? Why is there a £100 billion trade surplus for the European Union? Why should we give the European Union access to our goods market but not insist on access to our financial services market after we leave the European Union?

**Anna Soubry:** I do not wish to be rude to my hon. Friend, but that really is the stuff of madness. Of course we need to export more, but here is the real question

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that he should be asking. At the moment, a lorry that comes in from the European Union through Dover will take, at the most, two minutes to go through. If it comes from outside the European Union, the process takes 20 minutes at the least, and at the most—and more typically—it takes two hours. How does that transpose to the manufacturing sector and to the Toyota workers outside Derby—some 3,000 people, with three to five times as many in the supply chains?

I say to my hon. Friend that this, Sir, is the real world. In the real world, when Toyota makes an order for car seats, they are delivered absolutely ready on to the production line within four hours of the order being placed. If we do not deliver frictionless trade, either through a customs union or some magical third way that the Prime Minister thinks she can deliver—good luck to her on that—thousands of jobs will go, and hon. Members sitting on the Government Benches, in private conversations, know that to be the case. What they have said in those private conversations is that the loss of hundreds of thousands of jobs will be worth it to regain our country's sovereignty—tell that to the people who voted leave in my constituency. Nobody voted to be poorer, and nobody voted leave on the basis that somebody with a gold-plated pension and inherited wealth would take their jobs away from them.

5.30 pm

**Sir Desmond Swayne:** I have a very successful manufacturer in my constituency abiding by the very disciplines that my right hon. Friend has, rightly, been so effusive about. Imagine, then, my surprise when I discovered that the proprietor and chief executive of this organisation, Col-Tec—one Mike Bailey—was to be my opponent as the UKIP candidate in the New Forest West division.

**Anna Soubry:** I will take another intervention.

**Sir Bernard Jenkin:** I think the point that my right hon. Friend did not want to take is that there are plenty of businessmen who are in favour of leaving the European Union.

The point that I wanted to raise with my right hon. Friend is that her whole argument is passionately based on the fallacy that one cannot have just-in-time supply chains crossing international customs frontiers. In fact, that is the way that most of the rest of the world trades. At Toyota in her own constituency—I met Toyota last week—quite a substantial proportion of its componentry arrives from outside the European Union to be bolted on to its cars. She is putting up these completely false fears that just-in-time supply chains are threatened by trading across customs frontiers.

**Anna Soubry:** I have to say to my hon. Friend that that is absolute codswallop. When I went to Toyota, we were shown exactly the places where the parts had come from. For example, some parts had come from Japan. There was a special arrangement with Japan whereby the parts come into the factory and sit in a bonded warehouse. Those parts number less than 1% of the total. Toyota has 2.5 million parts coming into that factory, and the vast majority come from the European Union—it relies on frictionless trade.

With great respect to my hon. Friend, he is somebody who makes the case that we should be a member of the World Trade Organisation. Let us just get this one straight. If our country joins the World Trade Organisation—[*Interruption.*] Well, we are a member through our membership of the European Union. If we are a member of the WTO in our own right, we will have to abide by its rules, which say that every member must secure its borders—I repeat, must secure its borders. That does not just mean that our country, when we leave the European Union, must secure its borders, but that the European Union, whether it likes or not, must secure its borders. What does that mean? There will have to be a hard border between Northern Ireland and the Republic of Ireland. It is dishonest and disingenuous for people to stand up and make out that something other than that is the reality.

The White Paper faces up to Brexit reality, and that is what Conservative Members must now do. We have to face that reality, just like I have had to face the reality that we are leaving the European Union. Hon. Members have to do the right thing by their constituents and put trade and business at the heart of Brexit.

**Vicky Ford (Chelmsford) (Con):** I want to go back to the point about enforcing our border. Some people say that, if we were trading under WTO rules, we would not need to have a border in Ireland, but under the WTO's most-favoured-nation rules, if we did not enforce the border in Ireland, we would be in breach of our agreements with other parts of the world. We would have no right to say, "No border." Furthermore, if Ireland did not enforce the border with the rest of the UK, it would be in breach of its obligations to the EU, and if the EU did not require Ireland to respect the border, it would be in breach of its obligations across the world. So I thank my right hon. Friend for making that point so clearly.

**Anna Soubry:** That was a very long but very good intervention.

**Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op):** I have heard exactly the same points from businesses in my community. I have heard the same points about the Northern Ireland-Ireland border, too. That is why I favour staying in a customs union. The White Paper is full of magical thinking, but the amendments tabled by some in the right hon. Lady's party directly contradict what is in the White Paper, because what they really want is a reckless no deal Brexit in which we crash out, with all the damage that will cause.

**Anna Soubry:** I completely agree. I say to my Government that they are in grave danger of not just losing the plot but losing a considerable amount of support from the people of this country unless we get Brexit right. The people who put their names to those amendments—notably new clause 36 and amendment 73—did so not to be helpful to the Government and to support the White Paper. We know that from their public proclamations, in which they have tried to trash the White Paper.

I made it clear to the Whips and to—well, actually, to the Financial Secretary to the Treasury, for whom I have a lot of time because he is a very good Minister, a very good man and a very good constituency MP. I say that because I have been to his constituency—

**Mr Edward Vaizey (Wantage) (Con):** That's your career over, Mel.

**Anna Soubry:** For the record, that was said by my hon. Friend the Member for Huntingdon (Mr Djanogly). If anyone else had said it, I would have been very rude. *[Interruption.]* Sorry. Scrub that; it was my right hon. Friend the Member for Wantage (Mr Vaizey)—ever the trouble maker.

This is really serious. I told the Minister that I would not press my amendments to a vote. That is not because I lack courage—in fact, given events, I would like to think I have a bit of courage. Some say I do not have a fear gene at all. Just to remind hon. Members, three people have received custodial sentences for the death threats I have received. I am getting a bit tired of being called a traitor. Certain people on these Benches support a newspaper that, disgracefully, had the temerity to suggest that the Prime Minister of our country might in some way have committed treason by the production of this White Paper. That is outrageous. Right hon. and hon. Members on these Benches really need a bit of a reality check, not just on Brexit but on the way this party is conducting itself and on who they choose to call their friends.

Let me return to why I will not press my amendments to a vote.

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. Before the right hon. Lady returns to the substance of her remarks, I just point out to her that she has already had 21 minutes of the debate, and—[HON. MEMBERS: "More!"] Order. This is not a music hall. The right hon. Lady is perfectly in order—she has an awful lot of things to deal with and she has taken a lot of interventions—but I know that she will quite soon begin to come to a peroration.

**Anna Soubry:** By remarkable coincidence, Madam Deputy Speaker, I am coming to the conclusion of my remarks. I want to explain why I will not press my amendments to a vote, as I indicated to the Minister last week. The reason is the production of the White Paper.

I will be very frank: the White Paper does not go as far as it should—it is silent on services, which make up 80% of our economy—but I welcome it because it absolutely marks that our Prime Minister understands the needs of British business, in particular manufacturing businesses, and is determined to do the right thing. She has come up with this third way. Whether she can achieve it remains to be seen, but I decided not to press my amendments to a vote because of my support for the White Paper and my desire to give that third way a chance.

Having done that, I believed, as a pragmatic, reasonable, moderate Conservative, that I had done the right thing by my Prime Minister and, as much as anything else, by my country. Imagine, therefore, my profound disappointment that the Government today, for reasons I can just about understand, decided to accept four amendments, two of which are not controversial but two of which—new clause 36 and amendment 73—seek to wreck and undermine this.

**Mr Dominic Grieve (Beaconsfield) (Con):** Is not one of the features of these two amendments the fact that they would not do what their proposers seek them

to do? The fact that the Government have chosen to accept amendments that are unnecessary and useless shows that the only intention behind their tabling was malevolent? The fact that they are being maintained at the present time is also an act of malevolence towards the Government by the proposers.

**Anna Soubry:** I completely agree with my right hon. and learned Friend. Members on the Government Front Bench, and indeed across the House, should be hanging their heads in shame. This is the stuff of complete madness. The only reason the Government have accepted the amendments is that they are frightened of around 40 Members of Parliament—the hard, no deal Brexiteers—who should have been seen off a long time ago. These people do not want a responsible Brexit; they want their version of Brexit. They do not even represent the people who actually voted to leave. The consequences are grave, and not just for this party, but for our country. One has to wonder who is in charge. Who is running Britain? Is it the Prime Minister, or is it my hon. Friend the Member for North East Somerset (Mr Rees-Mogg)? I know where my money is at the moment.

**Stephen Doughty:** What has really been going on here is that some of these extreme individuals have been threatening the Government, trying to hold them hostage, and saying that they will vote against Third Reading and bring the Government down, to get these bizarre, contradictory amendments through.

**Anna Soubry:** The hon. Gentleman is absolutely right. It is disgraceful, because this White Paper is a genuine attempt by our Prime Minister to heal the divisions in our party, and indeed the divisions in our country, and take us to a smooth and sensible Brexit that delivers for everybody.

**Mr Kenneth Clarke (Rushcliffe) (Con):** Does my right hon. Friend agree that, if the Government were guaranteed the support of the Labour party and the Scottish National party against these wrecking amendments, we could finally reveal what a tiny minority of the House of Commons is trying to hold us all to ransom over a reasonable deal with the European Union?

**Anna Soubry:** My right hon. and learned Friend is right, as ever.

The truth is that both main political parties are now in the grasp of the few who falsely claim to speak for the many. A lack of ability, or perhaps courage, the over-liking of the safety and sanctity of ministerial office or, frankly, just a quiet life, on whichever side of the House, and a guaranteed income for a loyal Back Bencher with a handsome majority, mean that our country is hurtling not just towards the extremes of British political life, but over the Brexit cliff, which the overwhelming majority of leavers did not vote for—indeed, they were promised the precise opposite.

The time has come for the nonsense to be stopped. The time has come for people to show courage and do the right thing by our country. We are leaving the European Union, but we have to leave in such a way that protects jobs and prosperity—and peace in Northern Ireland—for everybody in this country. It is time for people to put aside the ideology and the nonsenses that

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invariably come from not inhabiting the real world. Let us face up to reality, as this White Paper seeks to do, and reject these two ludicrous amendments that the Government have agreed to. In due course, let us wake up to the further reality: we will end up in the single market and the customs union; the only question is when.

**Mr Chris Leslie** (Nottingham East) (Lab/Co-op): I commend the right hon. Member for Broxtowe (Anna Soubry) for the passion with which she has spoken. She spoke authentically about the care and attention that she has taken to look into the supply chain issues, the just-in-time delivery systems that are the foundation of modern manufacturing in our country. She was not taking an ideological view, which certain Conservative Members, who may guffaw at that, might take, but thinking about the economy: our constituents' jobs and all the prosperity and tax revenues that pay for the vital public services that we need to keep this country going. The national health service, the education system, housing and local government all depend on a healthy, vibrant economy.

5.45 pm

If we go down the avenue that some of the hard Brexiteers suggest, we will not only jeopardise jobs, but face a decade or more of austerity. The Treasury's analysis has been revealed and shows that a big black hole emerges in Treasury tax revenues if we leave the customs union and the single market, which, from my point of view, are the absolute minimum of where this country needs to be.

The amendments cover several different issues, but the right hon. Member for Broxtowe touched on the wrecking amendments tabled by the European Reform Group—members of the Conservative hard Brexit crew. She is probably right that there are about 40 of them, and it would be a terrible shame if the Prime Minister, rather than looking at where the equilibrium rests in Parliament—the balance of opinion, which I do not think is for a hard Brexit—were instead to be hijacked and have her agenda taken over by that Trumpian hard Brexit view. Those amendments, particularly new clause 36, which is a clearly a wrecking amendment to the facilitated customs arrangement that the Prime Minister put in the Chequers agreement, are designed to ensure that the Chequers plan lasts for only one week.

I have my issues with the Chequers plan. I think it falls short of that de minimis customs union, EEA, single market position. However, I draw Members' attention to amendment 73, which goes way beyond the Chequers arrangement. It would provide that if Britain ever entered into any future customs union with whatever territories, we could not have our current smooth VAT acquisition arrangements, whereby we avoid firms having to pay VAT upfront at the border and have frictionless trade, of which VAT is such an important part.

I hope my hon. Friends on the Front Bench as well as Conservative Members are listening to that point, because the ERG's amendment 73 is a wrecking amendment, which would hurt our economy regardless of the Chequers plan. It goes beyond that and would undermine our customs arrangements more broadly. Even if the Government want to accept that, I implore Labour Front Benchers to oppose amendment 73 in particular.

**Mr Jacob Rees-Mogg** (North East Somerset) (Con): The hon. Gentleman misunderstands amendment 73. One of the other amendments, which the Government have also accepted, would stop them having a Henry VIII power for a new customs union. If a new customs union were to be introduced by legislation, amendment 73 could be brought in under that customs arrangement. It simply retains power for this House.

**Mr Leslie:** We have got the hon. Gentleman's measure now. He used to be an entertaining curiosity, but no longer. He represents a major present threat to the future of our economy and our constituents' jobs. He is trying to scupper our smooth frictionless arrangements for businesses that currently have to pay VAT but can do so because we treat it as a matter of dispatches and arrivals, rather than its having to be paid upfront. By deleting paragraph 14 of schedule 8, the hon. Gentleman would hole future VAT arrangements below the water line.

**Mr Jonathan Djanogly** (Huntingdon) (Con): Are we not seeing here an insertion of further red lines when we have enough of them already?

**Mr Leslie:** Exactly. It would be sensible of the Government to read the runes and start thinking about where there is a consensus in Parliament for a positive way forward rather than constantly laying down or accepting more red lines, or caving in to threats from those who are very loud but represent a tiny minority viewpoint.

New clause 2 is really important because it would preserve our current role of participation in the EU VAT area. I hope hon. Members will see the purpose of that. I think we currently have 25 million customs declarations paying VAT at the border. That will potentially rise to 255 million. Imagine the bureaucracy, the cost of administration and the paperwork for our VAT system if those declarations also have to be made at the border. Amendment 73 would end up taking out our participation. I intended to raise this issue as a matter of debate, but perhaps I should press new clause 2 to a vote, because the EU VAT area is absolutely crucial to avoiding a hard border.

It is important that we pick out the problems with the Chequers arrangement. I understand that the Prime Minister is trying to find some sort of balance, but I am afraid to say that the notion of a facilitated customs arrangement just does not quite get us to where we need to be. I am delighted with the acceptance of how important a common rulebook for goods is to our country. That recognition of economic reality is important, but it is only one piece of the jigsaw that we need. For instance, we need to ensure that the 80% of our economy in the services sector is not completely abandoned and that we lose out as a result.

**Heidi Allen** (South Cambridgeshire) (Con): I would just like to reflect on how refreshing it is—it is probably what the majority of the country wants to see—that sensible people are working cross-party to try to find a way forward in this dreadful mess. I agree with the hon. Gentleman on the Chequers arrangement. It is an opening bid to the EU, is it not, saying, “Okay, come back and tell us which pieces you are happy or unhappy with.”? I am interested in whether he knows Labour's position

on the wrecking amendments, specifically amendments 73 and 36. Will he and his party will be joining us in voting against them?

**Mr Leslie:** Well, I will certainly want to vote against amendment 73, but my hon. Friends will make their own remarks in their own time. I do not know what their intentions are, as I have not had a chance to hear from them. Intuitively, I doubt very much that my hon. Friends, knowing what the hon. Member for North East Somerset (Mr Rees-Mogg) is up to, knowing where the members of the ERG come from on the political spectrum—the hard right Brexit perspective—and knowing how important the economy is to the future of this country, will abstain on amendment 73.

**Stephen Doughty:** It is very clear, as my hon. Friend says, who those Members are working with and what their agenda is. They are working with the likes of Nigel Farage and others who would like to see us crash out, so that they can deregulate the economy and change it into a Singapore-style tax haven on the edge of Europe where they can pursue their right-wing fantasies.

**Mr Leslie:** Yes, indeed.

It is helpful if we view the two Bills we are considering today and tomorrow as a piece, as they interrelate with one another. Many of the amendments tabled for the Trade Bill tomorrow on a customs union are also on today's amendment paper. I say gently to the Government, "Nice try with your facilitated customs arrangement, but it is not going to fly for a number of different reasons." I urge the Chancellor and the Minister to stop putting down red lines. They will only find that they come back and embarrass them when they have to accept a customs union.

Let me quickly go into detail on why a customs union really will have to apply in this situation. There may be Conservative Members who agree with me on this point. The facilitated customs arrangement may well apply if we have a free trade agreement with the EU, but only a customs union gets rid of what is known as the rules of origin requirements—the local content thresholds needed to prove whether an FTA is in place to qualify for preferential tariff arrangements. Under a customs union, we do not have to have rules of origin checks. That is a massive advantage of the customs union.

**Sir Bernard Jenkin:** That is not actually correct. It is quite common in a free trade agreement to have what is known as an auto-pact, so that there can be frictionless arrangements, for example for the motor industry. The same could apply for aerospace.

**Mr Leslie:** There are certain manufactured goods where they have that, but across the piece of a whole economy we do not see a circumstance where rules of origin have been abolished in the way the hon. Gentleman describes. Rules of origin are really quite burdensome for manufacturers to prove. They have to count the content and document where components come from. They then have to lodge those documents as they cross the border. My point is that the facilitated customs arrangement, with its rules of origin requirements, will have friction at the border. For that reason, we are going to have to accept that a customs union is preferable.

**Vicky Ford:** On the rules of origin, the hon. Gentleman may wish to read the pan-Euro-Mediterranean convention on rules of origin, which covers a broader area than just the customs union. It is possible to have agreement on rules of origin outside the customs union.

**Mr Leslie:** My experience is very different in terms of the information I have. If we look across the range of goods as a whole, there are problems with rules of origin outside the customs union.

The second problem with the facilitated customs arrangement is that it breaches article 3 of the General Agreement on Tariffs and Trade—GATT—which is part of the World Trade Organisation rules. Article 3 is the national treatment principle, which says that we should not treat imported goods unfairly relative to domestically produced goods. Because of the track and trace requirements in the facilitated customs arrangement architecture, we will have to treat imported goods differently to those produced and made in the UK.

The third problem is that if we want to make free trade agreements with the rest of the world, the Government are shooting themselves in the foot with the facilitated customs arrangement because article 24 of GATT states that we have to eliminate substantially all trade barriers between constituent trade authorities. If the UK is having to collect tariffs on behalf of the EU, that introduces a barrier that will have to fetter future free trade agreements. I do not particularly believe we can get better FTAs beyond the customs union; I think our leverage as part of the EU is superior, but on a technical level a facilitated customs arrangement, I am afraid to say, is just not going to wash.

**Hilary Benn (Leeds Central) (Lab):** On the important issue of rules of origin, which my hon. Friend has just raised, we have heard the argument from some people is that it is not a problem. If it is not a problem, then why do the Government, in paragraph 23 of the White Paper, state that the UK is proposing "no routine requirements for rules of origin between the UK and the EU"?

**Mr Leslie:** Exactly. Presumably the Government think they can negotiate on that between the UK and the EU bilaterally, but actually that is not the way that this works. Under the WTO arrangements, we have to make sure we have the same application of rules as we would in other arrangements around the world.

A customs union is not just preferable; it is the only realistic option. The idea that the European Union is going to say, "Fine, we're happy with you splitting the four freedoms" is for the birds. That is not going to happen, especially as populism is running riot worldwide. The EU feels very firmly that it wants to defend the international rules-based system. It feels very firmly that the four freedoms of the single market and the customs union are integral to it. The idea that Switzerland provides an example, when it has endured decades of constant treaty negotiations year after year after year—that is not a model Britain should seek to parallel.

The idea that we should simply hope that by focusing on the withdrawal agreement we can secure our future is also a fallacy. The notion that we will be able just to staple on to the back of this arrangement, on a few sides of A4, political statements on our future relationship

[Mr Leslie]

with the EU is deeply dangerous. We have to make sure that we settle these issues—I know the former Brexit Secretary agrees on this particular point. The idea that what is said on one side of exit day will necessarily be enforced on the other side of exit day is just not true. There is no legal enforceability to any warm words about our future relationship. These issues have to be set out at this particular stage.

**Wera Hobhouse** (Bath) (LD): Does the hon. Gentleman not agree that it is time we listen to the people who run businesses, rather than sit in our comfortable seats telling people what to do?

**Mr Leslie:** Yes, and the problem we have had is that ideology and populism have been running this country for the last few years. We need to stop that and assert common-sense economic reality much more. As the right hon. Member for Broxtowe was saying in her speech, this transcends the political parties. This is not a time to be playing party political games of advantage. Our country is absolutely at stake here.

6 pm

I am afraid to say to the Government that it is only a matter of time before the EU, probably quite politely, says, “Nice try with your facilitated customs arrangement. Nice try with Chequers, but you are going to have to recognise the reality”—that is, the building blocks that exist for all their partnerships and arrangements with the rest of the European Union. To my mind, that means the customs union, the EEA, potentially EFTA, and the single market. It would be a truly backward step for us in any way to undermine the ability of the UK to participate in a customs union, so we need these VAT rules to be put in place and continued. I also hope that my Front Bencher will see, certainly tomorrow, the opportunity to secure support for a customs union, which is growing by the hour in this House.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Dame Eleanor Laing):** Order. It will be obvious to the House that a great many people want to speak. We have three hours of debate left, but we cannot continue with speeches of the length that we have had so far, although there is nothing wrong with what any hon. Members have done. We will therefore start with a time limit of 12 minutes.

**Mr David Davis** (Haltemprice and Howden) (Con): For the convenience of members of the Gallery, I should start by saying that this is not a resignation statement—that was last week. This week is a return to my normal business, as an ordinary Back Bencher carrying out the scrutiny of business. I thought that it would be rather mundane until I walked into what appears to be this rhetorical firestorm that we have had so far in the debate.

Before I come back to that, the Taxation (Cross-border Trade) Bill and its partner, the Trade Bill coming tomorrow, are vital pieces of legislation. In the newspapers at the weekend, I read that some people were so cross with the White Paper that they were proposing to vote against this. Well, I do not think that they can be much more

cross than I am with the White Paper, but I urge them not to vote against it. These are vital pieces of legislation and they are necessary, whether we have the Government’s White Paper policy, my old White Paper policy, the FTA that some have talked about or indeed even the World Trade Organisation outcome. In every single case, we need these Bills and therefore I will be supporting them.

I want to speak directly to the new clause proposed by my right hon. Friend the Member for Broxtowe (Anna Soubry). I will do so without impugning anybody’s motives or questioning whether somebody is acting in the national interest or not and I will not be firing off any gibes. I am not quite sure who she was referring to when she talked about having an excessive attachment to public office, but I do not think it was me. The simple truth is that this is a vitally important argument. It is central to the whole question of the economic aspect of Brexit—Brexit is not just economic; it is democratic as well, but it is central to that—and I will put to one side in my arguments the fact that being out of the customs union was in the Conservative party’s manifesto and therefore, in theory at least, one we are committed to.

The arguments go right to the heart of the principal issues. The proponents of the new clauses have a clear belief in the national economic interest, but they clearly believe that being outside the customs union will lead to a precipitate loss of trade and that the loss of the ability to make trade deals matters less than that potential loss of trade. That is the core of the argument. It is pretty straightforward in that respect.

Let us look at some facts. Back in 1999, the United Kingdom—we are talking about the customs union, so this is about goods—was exporting 60% of its goods to the European Union and 40% to the rest of the world. Since then, that has gone down by approximately 1% per annum, so it is now about 45% to the European Union and the rest to the rest of the world. Pretty much by the end of this decade, it is likely to be 60:40 in favour of the rest of the world, so because it takes away the right to our own commercial policy, the prospect of staying inside the customs union favours the shrinking minority of our trade over the expanding, fast-growing majority of that trade. That is the very simple, fundamental, initial point that we should take on board. It also presumes that being outside the customs union will significantly damage trade because there will be friction at the border.

**Mr Kenneth Clarke:** One of the most remarkable features of the last 20 years has been the globalised economy and the very rapid growth and emergence of major new markets, so inevitably the balance of our trade was going to grow with them and decline with the European Union. We want to remain as attractive to investors from the new economies as to the old. It does us no advantage in our dealings with China, Brazil and India to damage the value of our access to the European market. Outside events have altered this balance; it is not a failing of our EU arrangements.

**Mr Davis:** My right hon. and learned Friend was being uncharacteristically inattentive, because that is exactly what I said: because of the growth in world trade, that is what is going on. He is exactly right that we should take a great interest in the fast growth in

world trade because we are best placed, probably of most countries in the world, to take the most advantage of that. Also within his comment was the presumption, which I was about to address, that friction in our trade with the European Union—low friction, but friction—will cause enormous damage.

**John Redwood** (Wokingham) (Con): Will my right hon. Friend give way?

**Mr Davis:** I will give way, but I will have to constrain interventions because of the time limit.

**John Redwood:** Will my right hon. Friend confirm that many successful manufacturing businesses in Britain today have these just-in-time supply chains bringing in large quantities of raw material and component from outside the EU through a system of authorised economic operators, electronic manifests and the settlement of any bills not at the port? There are not people sitting in boxes in the port taking the money.

**Mr Davis:** My right hon. Friend is exactly right. It is an issue that I will return to in a second, but before I do I want to make a point about friction. The presumption in all this is that we have a magical, frictionless system at the moment. Actually, we will have seen on our television screens that that is not true. This entire House will have watched Operation Stack in progress over various years. Operation Stack is what we do when one of the ports gets locked up for one reason or another—a strike in France or whatever. It has been operated 74 times in 20 years. In 2015, it took up 31 days of friction, and our businesses—the just-in-time businesses and the perishable goods businesses—all coped with it, so let us not frighten ourselves in doing this negotiation. Nobody wants it and nobody likes it, but they cope with it. My hon. Friend the Member for Dover (Charlie Elphicke) pointed out that with World Trade Organisation facilitation, we will actually minimise the friction on trade through these ports, as was reinforced by my right hon. Friend the Member for Wokingham (John Redwood).

Secondly, while people understandably focus on some of the pressure points—most particularly Dover, which we heard about a second ago—they forget that there is strong competition between the ports on the North sea and the ports on the channel. Zeebrugge, Antwerp and Rotterdam all want to increase their throughput at the cost of the Calais-Dover crossing. They are already preparing for increases in throughput in their own areas when we are outside the EU and preparing for the increase in work—because there will be some increase in work—but again, as my right hon. Friend said, it will not happen at the border. It will happen before they get there or after they pass through it, so our so-called dependency on French ports will turn out to be illusory.

Thirdly, in support of the arguments that any friction at the border is unacceptable we hear lots of talk about supply chains. We had it from my right hon. Friend the Member for Broxtowe who proposed this new clause. The simple truth is that this ignores the fact, as my hon. Friend the Member for Harwich and North Essex (Sir Bernard Jenkin) pointed out, that lots of international supply chain operations operate across borders where there are customs, tariff and currency arrangements. I happen to know one of them very well, because I

operated a business across just such a border myself—between Canada and the USA. [HON. MEMBERS: “Thirty years ago.”] I went back last year.

**Anna Soubry:** Will my right hon. Friend give way?

**Mr Davis:** No, I will not give way.

I went back last year to look at it again, and yes it was 15-year-old technology. It could be better now; it could be faster. What happens in Detroit, the centre of the American motor industry? In Ontario, across a very difficult and constrained border, tougher than Dover, there is an entire industry supplying parts, components and engines for that motor car industry. It operates across a border that has tariffs on it, too.

**Kevin Hollinrake** (Thirsk and Malton) (Con): Will my right hon. Friend give way?

**Mr Davis:** No, if my hon. Friend will forgive me. I am short of time.

The simple truth is they operate even where there are tariffs, and we are proposing a non-tariff arrangement—there would be no tariffs here; the primary concerns will not be the collection money but other things.

**Anna Soubry:** Will my right hon. Friend give way?

**Mr Davis:** No, if my right hon. Friend will forgive me.

The issues that remain at the border will depend on the customs policy we decide on, which very clearly will alter how that border operates. It will include rules of origin, as has already been pointed out; tariff-paid status, if we are in the future customs arrangement, which is more difficult than rules of origin; and regulatory compliance. None requires action at the border. All can be dealt with by electronic pre-notification or pre or post-audit at either origin or destination.

Without doubt, the most difficult issue in the negotiations as they relate to borders has been Northern Ireland. There is no way, however, that a UK Government are ever going to install a hard border in Northern Ireland—that is as plain as a pikestaff. No UK Government would risk the peace process, which has been going on for decades. Neither would the Irish Government. I cannot imagine in a century that an Irish Government would do that either. What many people forget, however, are that there is already a border there—there is a currency border, a VAT border, an excise border, and there are other tax borders. They are operated north and south of the border by the UK and the Irish tax and customs collection organisations, operating together using intelligence-led intervention.

Much is made of the 300 border crossings. One of the outstanding issues with being outside the customs union is, as somebody said, the issue of rules of origin, but in Northern Ireland, while there may be 300 border crossings, there are only six ports. Rest-of-world imports can actually be surveilled and controlled very straightforwardly. This issue, which has become much more difficult since it was politicised—it was actually working quite well in the negotiations before it was politicised—is eminently soluble, by technical means and co-operation between the two states.

**Joanna Cherry** (Edinburgh South West) (SNP): If what the right hon. Gentleman says about the border is so, why was he part of a Government that agreed to the backstop last December?

**Mr Davis:** They did not agree to the backstop; they agreed to the joint report that talked about full alignment. *[Interruption.]* Does the hon. and learned Lady want to listen to the answer? She will remember me standing at the Dispatch Box saying that we interpreted full alignment as outcome alignment and relating directly to the issues in the north-south strands—principally, agriculture, transport, and environment as it applies to the single electricity market. Those are the primary strands, and they are eminently soluble, by arrangements that already exist in Northern Ireland—for example, the carve-out on environmental legislation. It is a very straightforward issue, but it has been blown up into something else by the other side of the negotiations.

The risk and costs of having a customs border are less than is being claimed, and what we would give up to join a customs union is much more than is imagined. The EU is a slow and not very effective negotiator of free trade agreements. We keep hearing about its size and negotiating power, but the fact that it represents 28 different countries means it comes up with sub-optimal outcomes all the time, and actually we are the country that does least well out of the EU's free trade agreements. They almost never involve services, for example, which are our primary trade. The EU is a slow and not very effective negotiator of trade deals.

6.15 pm

We will be smaller, of course, but many countries that are smaller than us do very, very good trade deals. Switzerland is an obvious example. Its deals are much more effective than ours. By the way, we are bigger than the bottom 18 European countries put together, so we are not small by any normal measure of the word. We also have huge advantages over and above our economic weight. We have the English language and English law and we are leaders in a whole series of areas, such as life sciences, artificial intelligence, the internet and medicine. We are one of the leading countries in terms of intellectual exports—“services” encompasses intellectual exports—and in that the English language is the most powerful weapon possible.

In trying to deal with a problem that is less bad than its supporters think, the proposal in the new clause would throw away a power and a right that is incredibly important—much more important than they think. They are trying to defend a false past and giving up a real future. There we are.

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): It is interesting to follow the former Brexit Secretary and to reflect on the speech he has just given. It explained why he resigned from the Government but, in the end, it just clashes with reality—that is the unfortunate detail of the evidence he has put to the House today.

I shall speak in support of new clause 1, but also to my new clause 6 and amendment 9, which relate to conducting an impact assessment on the effect of leaving the common external tariff. I shall also speak against amendment 73 and new clause 36. We have heard why the former Brexit Secretary believes that any kind of customs union would somehow be bad for Britain and

why we would be better off without it, and I will first address the fallacies in his argument. He was extraordinarily dismissive of the impact of checks at the border and of delays and additional costs, particularly for manufacturers and just-in-time production.

I make no bones about the fact that I am speaking strongly in support of manufacturing industry in my constituency. I will resist the temptation to go off on a tangent about Haribo and the Starmix I am sometimes allowed to test when I go to visit, but people there do tell me how important it is that they can bring ingredients to and fro smoothly across the border and talk about the impact of such delays.

**Anna Soubry:** Did the right hon. Lady notice that there was no detail about the reality of the America-Canada border, which took 10 years to construct, cost £10 billion, deals with facial recognition and involves 100 companies in the automotive sector of Detroit and nothing more? Does she think that such a model would not provide the frictionless trade that our manufacturing sector needs?

**Yvette Cooper:** I completely agree with the right hon. Lady. The former Brexit Secretary seems to be arguing that because companies trade across borders that involve customs checks, we should rip up our customs-free borders. He is saying that because those trades take place, it is okay somehow to add costs to our trading process. Why on earth would we do that? Why on earth would we add burdens to businesses that do not face them at the moment? Why on earth would we make the process difficult and more costly for them? It is not that we think all trade will stop—of course it will not—but the point is that that trade will become more costly and burdensome, and our businesses and manufacturers will be at a disadvantage compared with their European neighbours and competitors. That is unfair on our manufacturers, which we in this House should be standing up for. I certainly believe in standing up for Yorkshire manufacturing.

The former Brexit Secretary also seemed to be arguing that, because we coped with Operation Stack before, let us have more delays again. Yes, we can cope, but Operation Stack cost businesses coping with those long delays a fortune.

**Mr Marcus Fysh** (Yeovil) (Con): Will the right hon. Lady give some consideration to supporting our new clause 36, which will become a key piece of legislation if the UK is to operate proper trade defences? She mentioned manufacturing, and I note that many Labour Members have constituencies where workers may depend on the UK's having good trade defences. Under the facilitated customs arrangement, that would not be possible without new clause 36.

**Yvette Cooper:** Let me just deal with new clause 36. If the Government are saying that they will accept it, I do not understand how that does not rip a hole right through their White Paper. New clause 36 explicitly states that we cannot collect customs and excise duties at the border on behalf of another country unless that country is going to do the same for us, but the White Paper states:

“However, the UK is not proposing that the EU applies the UK's tariffs and trade policy at its border for goods intended for the UK.”

That is the opposite of what is said in new clause 36. Have the Government ripped up their own White Paper in the space of a couple of days? This is a chaotic approach to a matter that is so serious, and it shows a ridiculous wobbling in the face of a small group of people who I do not believe speak for the majority in this country.

**Mr Kenneth Clarke:** That phrase in the White Paper describes a perfectly sensible arrangement. If we adopt the new clause, 27 other countries will face the prospect of searching for new technology and setting up their own bureaucratic arrangements to accommodate the Brexiteers in my party. We urgently need these EU negotiations to start with partners who can rely on us to stick to a consistent line, and it could be very damaging to change the basic position on such an important matter within one week.

**Yvette Cooper:** I think that the right hon. and learned Gentleman is right on two counts. First, I think that this inconsistency and buckling in the face of objections from what I consider to be an unrepresentative group is the wrong approach. Secondly, I think that these customs arrangements are immensely important.

**Mr Fysh:** Will the right hon. Lady give way?

**Yvette Cooper:** No, I will not, because there is a time limit and I want to finish my speech early so that others can contribute.

Members who oppose any form of customs union are underestimating the significance of rules of origin checks which, according to the Government's own analysis, can burden businesses with additional costs amounting to between 4% and 15%.

**Sir Bernard Jenkin:** Why would any company bother to carry out expensive rules of origin checks if paying the tariff, which might be as little as 2%, would be much cheaper? It is as simple as that.

**Yvette Cooper:** That is really flipped logic. The hon. Gentleman is effectively saying, "They do not have to do the checks because they can all just pay the tariffs." Why on earth are we going through this whole process in the first place if all we are going to get is a tiny reduction in tariffs that no one will take advantage of in order to get any benefits?

**Mr David Davis:** The logic is actually very simple. Empirical evidence shows that in international trade, companies seek to claim their rebates and do what is necessary to avoid tariffs when a tariff is lower than 3%, not when it is above. What that tells us is that the cost of rules of origin administration is less than 3%. Companies are rational operators. The numbers that the right hon. Lady cited from a supposed Government study were wrong.

**Yvette Cooper:** I would caution the right hon. Gentleman against dismissing the rules of origin checks. There is a huge worry about the burden that they will impose on small businesses in particular. There is a big difference between large and small businesses in this regard. It might be worth large businesses claiming the money back because they can set up systems to do so, but for

small businesses the process can be devastating. I am thinking particularly of the huge number of small businesses that have not yet traded outside the EU and for which rules of origin will be a new burden.

Why on earth would we want to add these additional burdens and checks on businesses that have not faced them before? I find myself in a very strange position. I, as a Labour MP, am arguing far more strongly and passionately against these additional burdens on businesses than those on the hard right of the Conservative party, who ought to be arguing against such burdens.

**Wera Hobhouse:** Will the right hon. Lady give way?

**Yvette Cooper:** I will give way once more, but I am conscious of the time.

**Wera Hobhouse:** Surely rules of origin checks are about not only tariffs, but environmental protection, for example. It is not just about the money; it is about where the products have come from, how they were produced and whether they conform with what we believe in.

**Yvette Cooper:** The hon. Lady is right. We need to address the wider issues relating to friction at the border as well.

Let me say something about the Government's facilitated customs arrangement. I understand what Ministers are trying to do and that they are trying to square a circle. They are trying to pull us out of the common external tariff without paying any of the penalties of being outside it. I think that that is a leap of faith—it is implausible. I think that there are huge questions about whether such an arrangement is deliverable and whether it would be robust enough for the EU ever to sign up for it.

The Government are expecting that there will be sufficiently robust procedures for tariffs to be collected at the border for widgets coming in from the United States or other countries, and therefore no checks—no spot checks; no additional checks—on whether forms are being filled in correctly and accurately, on whether there is fraud and on whether there is an incentive for companies to fill in the forms in respect of one direction but then actually to move the goods in another. That is significant, because the European Commission is currently taking action to recover what it believes is €2 billion of under-claimed customs duties as a result of the UK's failure to crack down on Chinese clothing importers' customs fraud. Whatever the rights and wrongs of that, the point is that the European Commission and EU member states do not have confidence in our customs arrangements at the moment—never mind our asking them to join in a huge leap of faith with their agreeing to our future facilitated customs arrangement. The Government are relying on some whizzy wonderful new technology, and while I hope that that will arrive very quickly, there are serious questions about how long that will take and what the consequences will be.

My new clause 6 calls for a proper impact assessment of the consequences of being outside the common external tariff. I still cannot believe that that has not been done. I cannot believe that there has been no serious assessment of the fantasy future trade deals that

[Yvette Cooper]

will somehow make us better off, or of the additional burdens that will result from being outside the common external tariff, which will make us worse off.

Let me now say something about amendment 73, which I think is one of the most destructive measures tabled by some of the hard-right Conservatives in the European Research Group. It would remove from the Bill any provisions that would be needed for a customs union. The hon. Member for North East Somerset (Mr Rees-Mogg), who chairs the ERG, has said that that is okay because there will be a future vote. Why should there be a future vote? Why should we not vote now? I think that we should have a customs union, so let us have that vote now, rather than voting to remove the provisions from the Bill. Why on earth, for the sake of manufacturing, would we ditch those customs provisions? The ERG wants to remove the possibility of a customs union from the Bill.

I am astonished that Ministers want to accept that proposal. It is deeply destructive, and it would actually make it harder for the Government to secure the customs arrangements that we need. It means that if their facilitated customs arrangement does not work, the fall-back position will be no customs deal at all, which would be deeply damaging for our manufacturers.

I hope that our Front Benchers will also vote against this deeply damaging ERG amendment because I do not see how we can tolerate the damage that the hard right of the Conservative party wants to do to our manufacturing industry. We need to be the party that will stand up for manufacturing industry and ensure that our manufacturers can get the best possible deal as part of the Brexit process. We owe it to them to do that.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. The right hon. and learned Member for Rushcliffe (Mr Clarke) will be the last Member to speak under the 12-minute limit. By how much the subsequent limit will have to be lowered is very much dependent on the right hon. and learned Gentleman.

**Mr Kenneth Clarke:** Mr Speaker, I am grateful to you for calling me. You may be disbelieving, but I assure you that I will do my best to speak for fewer than 12 minutes, so I shall be rather more pithy than usual.

For the last 40 years, we have achieved some remarkable transformations in the British economy. We have made ourselves one of the most attractive economies in the world for inward investment and developed an extremely competitive modern economy in both goods and services. That is not entirely attributable to the single market and the customs union, but they played a very large part. The UK is regarded by many of the great firms that invest in this country as the most business-friendly member of the EU and the most attractive place to invest in a way that gives absolutely unfettered access to the largest developed international free trade area in the world. I personally have never understood why we are seeking to detract from that. In the referendum campaign, absolutely nobody made a major feature anywhere of saying that we should withdraw from these arrangements, and certainly nobody advocated the virtues of putting in place at our

ports and borders customs checks, customs procedures, tariffs, regulatory divergence and all the things that cause cost.

6.30 pm

The aim of my right hon. Friend the Member for Haltemprice and Howden (Mr Davis), who is an old friend for whom I have very considerable respect, is rather the same as mine: he takes as the basis of his arguments that he wants Britain to be one of the most attractive, if not the most attractive, places for the investment we need in future years. But, with great respect, I think he employs considerable ingenuity, based on his knowledge of the subject, of course, about the attempts made in other parts of the world to mitigate the consequences of not having a totally open border. The Canadian-US border is not, for most of its trade, totally free; it is not devoid of queues and delays.

The other argument that we have had so far to dismiss our worries on this issue is, “Well, a 20-minute delay compared with a three-minute delay is not going to deter anybody.” The fact is that the major manufacturers—I will stick to manufacturing because it is, I think, what is most accessible to the public. Our remarkable turnaround in the car industry is the most obvious demonstration of where we have got to, but one of the reasons why such companies come here is precisely because they can operate the most modern systems with absolutely no delay: the just-in-time supply lines and everything else we have heard about. It is no good saying, “That doesn’t matter because they don’t have that anywhere else in the world.” Once you change that, there is absolutely no doubt that you are increasing costs quite substantially compared with the costs we have now; that is absolutely undeniable.

During the referendum, some of us tried to raise the threat to our international trade and inward investment that leaving the EU would involve. I debated with a very good advocate on the leave side, Daniel Hannan, who is a very well-known MEP. It was easy to debate with him because Dan was not advocating leaving the single market. It was quite plain that he was in favour; we have quotes from him saying so—he said a lot about it. It was responded to by some of the leading publicised figures, most notably the recently resigned Foreign Secretary. He dismissed any suggestion that trade would change—the Germans would be persuaded by Mercedes just to leave things completely as they were in an as yet unspecified and undescribed way. Now my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) and his supporters are ignoring, sometimes aggressively and derisively, the advice being given to us by all the major international investors in this country—such as Airbus and Jaguar Land Rover—by the CBI and by the Institute of Directors, which is not the most left-wing organisation I have ever encountered. Apparently, my right hon. Friend understands far more about the attractiveness of this country for future investment in the next generation of aerospace and automobiles which we need to anticipate. Nobody is going to close down a factory overnight if we go in for the daftest arrangements, but they will have to compete with other parts of their group for the next major investments, and the UK will go right down the list because everywhere else in the EU will be able to demonstrate that they are more attractive.

**James Cartledge** (South Suffolk) (Con): The key concern for me is that we seem to be separating EU trade and non-EU trade, but is it not the case that so much of our non-EU exports are from foreign-owned businesses that invest in this country for export precisely because of the attraction of the single market and so on?

**Mr Clarke:** I agree and that is why I tabled, with my right hon. Friend the Member for Broxtowe (Anna Soubry), new clause 12 on a customs union. I have taken the view that, while I can see nothing wrong with that amendment, I am prepared to try to get us out of this political chaos by giving the Government White Paper a try. It is attempting to reach precisely the objectives I am arguing for: frictionless trade, with none of these procedures at the border. I cannot see what is wrong with a customs union. If anyone calls a vote on that, I shall abstain. I do not vote against amendments that I plainly agree with and that I have tabled. If a facilitated customs arrangement can be devised which achieves the same, good luck. What is most important is that, now we have the White Paper, we agree with our partners in the EU that we now negotiate on this. We have wasted two years and are facing laughable suggestions that we are going to solve all the problems now in the next three months, or possibly by Christmas if that slips. That is absolutely ludicrous. That is the uncertainty that is racking business and anybody in the country with an interest in our economic future.

Now we have actually got quite a large majority of the Cabinet to agree on this. I never thought the Cabinet we had was ever capable of agreeing on anything on this subject because of the sincerely held, completely opposite views on virtually every aspect of it. We now have most of the Cabinet behind it. If we give them a chance, lots of developments will take place. As compromise takes place, with any luck, people who actually understand the subject will be allowed to try to come up with some workable version of this that achieves the essential objectives.

I am afraid the debate that the public are listening to infuriates them as it is all about personalities. Most sensible members of the public do not have the faintest idea what we are talking about because, throughout the entire debate, no one has ever given a proper explanation to the country of what a customs union or a single market even are and what certificates of origin involve. That is inevitable. We have never debated these things before, but we owe it to the public to have a slightly more sensible debate in future.

Half the arguments used in the general debate do not understand what a trade agreement is with any other country. As things stand, if we leave with no deal, we will be the only developed country in the world that does not have a trade agreement with any other country, because it is not going to be easy to roll over all the other agreements we have with other countries, which are based on the EU. We have driven the EU to achieve all those agreements. I agree that there are problems with 28 member states negotiating, but the problems with America are far worse. All the Americans want to do is export food to us; they will not open up their public procurement or their service industries.

**Mr Djanogly** *rose*—

**Mr Clarke:** I cannot give way.

Some people want us to give up the hated European rules on animal welfare and food standards and bind ourselves to the lower American rules on food standards. So Congress—Washington—will be telling us what our standards are in those areas in future and we will be excluded from European markets and have to have a hard border with Northern Ireland and with the continent. Anyone listening to some of the opponents of the EU would think that other trade agreements simply let us have all the advantages with no obligations. All trade agreements involve mutual agreements on regulation, standards, health and safety, welfare and all the other relevant things that the parties mutually bind themselves to accept. There is not a country in the world that would accept a trade agreement of the kind that my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) seems to be describing when he warms to the subject.

These are hugely important subjects, but for the past week, we have been debating them in the national debate in the most farcical and chaotic way that I can remember in my political career. The outcome is hugely important. If, one week after the Government set out a policy that I personally was prepared to give a fair wind to, I find that they are going to accept proposals such as amendment 73 and new clause 36, which promptly change that policy in a quite ridiculous way, I shall despair. The Government have only to vote against those new clauses and amendments; I am absolutely certain that the Opposition parties would not be able to think of a sensible reason why they should help my hon. Friend the Member for North East Somerset and others to get a majority in this House. We can demonstrate that they are a tiny handful of people, and their arguments are most certainly not in the national interest.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. The new time limit will have to be no more than eight minutes.

**Mr Clarke:** I have saved us a few minutes.

**Mr Speaker:** Indeed, and we are immensely grateful.

**Tom Brake** (Carshalton and Wallington) (LD): I hope that the penny is now dropping among those who inflicted the EU referendum and the subsequent chaos on the country as to precisely what damage this Tory farce is doing to our standing in the world and to our economy. We are two years on, yet no real progress has been made. Tory rivalries, leadership ambitions and factionalism are making this country a laughing stock, and Tory Members should be ashamed. I am sorry to say that Labour Front Benchers also often contribute to the farce.

I want to speak in favour of accepting new clauses 1 and 12 if they are pushed to a vote, and to speak against new clause 36, which is clearly a wrecking amendment. I hope that, when the Minister responds, he is able to explain why new clause 36 does not drive a coach and horses through the Chequers agreement. Everyone in the House knows that it does, but Ministers appear to be pretending that it does not. I commend the right hon. Member for Broxtowe (Anna Soubry), who is no

[Tom Brake]

longer in her place, for the anger and passion that she brought to the debate, and for starting to set out the consequences of Brexit. So far, the debate has been rather short on consequences. There has been a lot about aspirations, ambition, ideology and speculation, but rather little about the consequences of Brexit. Some Government Members pretend that Brexit will have no impact on the UK economy. Others are more honest, including the hon. Member for Harwich and North Essex (Sir Bernard Jenkin), who has just left his place—

**Sir Bernard Jenkin:** I am here.

**Tom Brake:** I am sorry—the hon. Gentleman is present. He was more honest. I hope that he does not feel that I am misinterpreting him, but I listened carefully to him, as I hope others did, when he spoke on the “Today” programme on Radio 4 this morning, and I think that what he was doing, perhaps paraphrasing our outgoing Foreign Secretary, was to say, “F\*\*\* business”. He was saying that all businesses care about are profits, but I think they care about whether they are able to do the job they are required to do and provide the jobs in this country.

**Sir Bernard Jenkin:** Unlike probably the vast majority of right hon. and hon. Members, I actually used to work in manufacturing industry. I worked for the Ford Motor Company, and I also used to invest in manufacturing businesses. It really is a bit rich when people who know next to nothing about manufacturing lecture those of us who have been in business on the things we know about. Does the right hon. Gentleman dismiss the views of people such as Sir James Dyson and J. C. Bamford and the many other manufacturers who wanted to leave the European Union when we had the referendum?

**Tom Brake:** The hon. Gentleman might be surprised to hear that I also worked in business before I came into Parliament. I worked for manufacturing businesses, among others. He mentions the two businesses which he in fact can mention because they are in favour of coming out of the European Union. We have heard rather a lot about those two businesses. One has of course relocated most of its production to China, so I am not sure it is particularly well positioned to talk about these things—

**Wera Hobhouse:** Malaysia.

**Tom Brake:** Malaysia, not China.

6.45 pm

I also want to talk about new clauses 7, 8 and 9. New clause 7 simply tries to ensure that the Government are required to do what everyone in the House wants them to do—namely, set out the impact on business of their customs arrangements proposals. They have ducked and dived on impact assessments, and they have been embarrassed when assessments have been leaked. They have done everything they can to prevent that information from getting into the public domain. New clause 7 would ensure that, six months after the Bill gets Royal Assent, the Government have to set out precisely the impact of their proposals on the UK economy. New clause 8 would require them to set out precisely the impact on the Northern Ireland-Ireland border—there

are still concerns about that question—and new clause 37 quite deliberately seeks to do away with any prospect of a withdrawal agreement. No one—not the political parties here or in Northern Ireland and certainly not the Irish Government—wants to see a border in the Irish Sea, but the purpose of new clause 37 seems to be to destroy the space in which discussions on the backstop arrangements can take place.

New clause 9 and amendment 10 are simply about taking back control. We have heard a lot about parliamentary sovereignty and ensuring that Parliament has its say. Well, the purpose of new clause 9 and amendment 10 is to ensure that the Government do not railroad measures through this House using statutory instruments or tertiary legislation such as public notices simply because it is convenient for them to do so and to avoid the scrutiny that Parliament is entitled to exercise.

I am well within my time limit, but I conclude by saying that I am pleased that we are at least starting to discuss the real consequences of Brexit for business. I hope that new clauses 1 and 12 will be pressed to a vote later. We need to get into some real debate about what we can do to ensure that the successful manufacturers in this country are able to continue to operate as they wish, and those new clauses would allow that to happen.

**Priti Patel (Witham) (Con):** I rise to speak to new clause 36, tabled in my name and those of other right hon. and hon. Members. I want to be clear that a strong deal that delivers a new equal partnership between the UK and the EU based on co-operation to advance mutual interests while respecting the sovereignty of this country is of course in everyone’s interests. This is also a golden opportunity for our country to become a free and independent nation, setting up its own laws and in control of its own destiny. I do not think that anyone in this House would disagree with that. We understand that the Government are engaged in the negotiating process and that all negotiations require a degree of give and take. There are of course certain red lines that cannot be crossed, as is being made clear in the debates that we are having right now and in the proposals that we are taking to the European Union.

New clause 36 cements into legislation the principle of reciprocity. It is clear and unambiguous. It was disappointing to see that the White Paper did not commit to that principle. The proposal in the White Paper does not deliver an equal partnership. It delivers one that does not put us on a level playing field. Because it states that

“the EU would need to be confident that goods cannot enter its customs territory without the correct tariff and trade policy being applied”,

we would effectively adopt much of that policy and collect tariffs on behalf of the EU.

However, the White Paper then states that

“the UK is not proposing that the EU applies the UK’s tariffs and trade policy at its border for goods intended for the UK.”

We are therefore being asked to pass legislation that would mean that while the Government can agree with the EU to collect taxes for it and provide assurances about goods entering the UK that are heading to the EU, we would not expect the same arrangements to be

provided by the EU in return. Why are we planning to give the EU assurances and confidence that we do not expect in return?

**Paul Masterton** (East Renfrewshire) (Con): Will my right hon. Friend confirm whether it is her view that new clause 36 conflicts or is in line with Government policy, as per the White Paper published last week?

**Priti Patel**: I just made the point that it was disappointing that the principle of reciprocity was not in the White Paper. My hon. Friend has already heard me say that I want an equal partnership, but what has been proposed is not equal. It is yet another compromise with nothing in return.

The Government have the chance to address that by backing new clause 36. The EU would then know that it cannot attempt to steamroller the Government on this issue in the negotiations and that if it wants to benefit from the UK collecting its tariffs, it needs to adopt a similar reciprocal arrangement.

Thus far, the Government have negotiated in good faith with the EU. We have been open, transparent and have already made many compromises and concessions, which is only right and fair. Within a week of taking office, the Prime Minister gave up our turn to the hold the EU presidency in the second half of 2017 as a gesture of goodwill. We offered a guarantee on citizens' rights as early as possible, but the EU would not accept it. We have offered £40 billion of British taxpayers' money, yet the trade deal that would benefit this country and the EU has been blocked by EU officials, who are, quite frankly, not engaging with us.

As we progress to the next stage of the negotiations on the future of the UK-EU relationship, Britain needs to be an equal partner with the EU, not its tax collector. New clause 36 would ensure that genuine reciprocal arrangements are established and would put it into law that the UK will not be part of an EU VAT regime and that Northern Ireland will be treated the same as the rest of the UK. We propose putting into law as a safeguard what the Government have said they want.

The public want to know that their political leaders will stay true to the promise made to them that Brexit means Brexit and that we are putting plans in place for our nation's economic and political renewal, so the Government need to have the desire to modify their proposals and listen to the public.

**Several hon. Members** *rose*—

**Mr Speaker**: Has the right hon. Lady completed her speech?

**Priti Patel** *indicated assent*.

**Mr Speaker**: The right hon. Lady used commendable brevity, upon which I congratulate her.

**Ian Murray** (Edinburgh South) (Lab): It is a great privilege to follow the right hon. Member for Witham (Priti Patel). We sit on the Select Committee on Foreign Affairs together and agree on much of its work. However, I am afraid that we agree on nothing when it comes to Brexit, and we have those battles in the Committee.

It is unfortunate that we have been left here this evening with a set of four amendments from the group of Conservative rebels who want to take us off a cliff edge. That is what the amendments are designed to do. We have unconfirmed reports that the Government may accept the amendments. I do not know whether the Financial Secretary to the Treasury will nod to indicate that he will accept them, but if he does, I hope he has a match or a lighter in his pocket, because he would do just as well to set the Chequers agreement alight, given the consequences.

On top of all that, the former Secretary of State for Exiting the European Union, the right hon. Member for Haltemprice and Howden (Mr Davis), must now regret leaving the Government, given that after threatening to resign five times, he finally went through with it by resigning following the Chequers agreement, which is just about to be ripped up by his own Front-Bench team and replaced with a much more hard-line position that will take us off the cliff with a hard Brexit. If he had only stayed on a few more days, he may have been able to see through the proposals that he started.

**Mr David Davis** *rose*—

**Ian Murray**: I am happy to give way to the right hon. Gentleman, given that I mentioned him.

**Mr Davis**: I rise just to tell the hon. Gentleman that nearly everything he just said in that sentence is untrue.

**Ian Murray**: I am delighted to hear that he would have resigned regardless, but he must surely have some regret. Perhaps we should be glad that he resigned, given that he stood up in this Chamber, as a former Secretary of State, and tried to persuade the House that Operation Stack and having trucks and lorries queued up at our ports was positive for the country. I have never known a former Secretary of State to look at something like Operation Stack, which would be a tragedy for our economy had it continued for much longer, and turn it into a positive. If that is the kind of argument he is offering to this House and to the country, we should ensure that we vote down most of these amendments.

I find it extraordinary that after going through this process—these debates give me *déjà vu*—we are still hearing arguments about the customs union and the single market. The Government managed to botch together what is now called the Chequers agreement and now, a week away from this Parliament adjourning for the summer recess, they have completely torn it apart by again pandering, as the right hon. and learned Member for Rushcliffe (Mr Clarke) said, to 30 or 40 people on the hard right of the Conservative party. Those people would be being much more honest if they just stood up and said that they want the cliff-edge hard Brexit, rather than tabling amendments that drive a coach and horses through the agreement that the Government managed to reach.

**Craig Mackinlay** (South Thanet) (Con): Is the hon. Gentleman really suggesting that the 163 independent members of the WTO are somehow teetering on a cliff edge or doing something rather odd? Are they not just normal trading nations that trade freely with each other? I find his “cliff edge” statement rather peculiar, because it does not treat the facts.

**Ian Murray:** I will tell the hon. Gentleman who is teetering on the cliff edge: the 10,000 or 12,000 people in my constituency who work in the financial services sector. The advice and analysis that we have had from the hon. Gentleman's own Government's Treasury is that staying in the customs union and the single market is the least worst option, and that the WTO route that he suggests would leave this country teetering on the edge of a GDP reduction of somewhere between 9% and 16%, depending on the part of the country. If that is a positive argument for taking us out of the EU, the country needs to be given a people's vote on whether we are going down the right track.

The right hon. Member for Broxtowe (Anna Soubry) moved new clause 1. She did not really mention new clause 12, but it presents a customs union option that could provide a platform to unite the vast majority of this House. When the Division bell rings for the votes on new clause 36 and amendment 73, I agree with the right hon. and learned Member for Rushcliffe that we should all go into the Lobby against them to show how many people in this House actually want to protect this country's future prosperity and how many want to take away any future prosperity for their own narrow ideological needs. I say to my own Front-Bench team that when the Division bell rings I hope Labour votes against those amendments and makes a stand against what the hard-line right-wing Brexiteers are trying to do to our country.

There is absolutely no way we can achieve frictionless trade—what the Government want us to try to achieve—while putting in place policies that set hurdles in front of it. The amendments would mean no VAT alignment, but if there is no VAT alignment, there is no backstop. If there is no backstop, there is no withdrawal agreement. If there is no withdrawal agreement, we have to have a hard border between the Republic of Ireland and Northern Ireland. If that is the aspiration behind some of these amendments, we will in the future have to take a long hard look back at this point, when we are about to inflict the single largest act of self-harm to this country, to see what people were actually trying to achieve. The introductory remarks of the right hon. Member for Broxtowe on new clause 1 sum that situation up. She was attacked with pretty disgraceful remarks from some in her own party, but she was merely trying to put forward an argument that would prevent this country from doing economic damage to itself. What a remarkable thing to happen.

We have two Bills in front of us this week—tonight's Bill and the Trade Bill tomorrow—and all the Government have to do is keep the customs union and the single market on the negotiating table. New clause 12 does not mean that the Government have to implement anything; it just asks them to keep the proposal on the table. That is what would be in this country's best interests. I agree with the right hon. Member for Broxtowe that this Minister is one of the best in the Government. I disagree with the vast majority of things that he does, but he is courteous, intelligent and always answers questions in the best way possible. He cannot honestly be sitting there this evening ready to accept the four amendments thinking that that would be in the best interests not only of the country, but of the Chequers agreement that the Prime Minister managed to cobble together last Friday. We need Government Front Benchers with a bit of backbone to stand up for the interests of this country. By the time we go into the Division Lobby very late on

Tuesday night to pass the Trade Bill—after the customs Bill before us has been passed—Government Front Benchers could then say that they have stood up to the hard right of this country and stopped economic Armageddon, and that they have done the right thing.

7 pm

**Mr Laurence Robertson** (Tewkesbury) (Con): I rise to speak to new clause 37, which is in my name and those of my right hon and hon. Friends. I will press the new clause at the appropriate time. It would make it

“unlawful for Her Majesty's Government to enter into arrangements under which Northern Ireland forms part of a separate customs territory to Great Britain.”

The purpose is simple: it is to secure the future of the United Kingdom. I speak as a proud Unionist and a friend of Northern Ireland. I have had the honour of working closely with people across Northern Ireland, having been Chairman of the Northern Ireland Affairs Committee for seven years and, before that, a shadow Northern Ireland Minister for five years. Interestingly, I also co-chaired the British-Irish Parliamentary Assembly for some five years. We have a lot to fight for in Northern Ireland.

This new clause would provide a guarantee that shows we value the Union and recognise the importance of strengthening it, but also acknowledge the importance and the value of our most important trading arrangement, the UK internal market. Above all, it would contribute to upholding the constitutional integrity of the United Kingdom and safeguard the Union for the future.

New clause 37 reinforces a view that I am confident is shared on both sides of the House, which is that we cannot accept a deal that would allow Northern Ireland to be considered a separate customs territory from Great Britain. I recognise that this is the view the Prime Minister has put at the forefront of our negotiations.

**Ian Paisley** (North Antrim) (DUP): Will the hon. Gentleman reiterate the point that new clause 37 simply underlines and reaffirms what the Prime Minister has said from the Dispatch Box on four separate occasions? The hon. Gentleman is right to seek to nail this into the Bill because we might not always have the luxury of having a Unionist Prime Minister.

**Mr Robertson:** Of course I completely agree with the hon. Gentleman, although I hope we always do have a Unionist Prime Minister. Many of us will be working towards that end for many, many years.

The Prime Minister said in December

“the whole of the United Kingdom, including Northern Ireland, will leave the EU customs union and the EU single market. Nothing in the agreement I have reached alters that fundamental fact.”—[*Official Report*, 11 December 2017; Vol. 633, c. 27.]

If nothing has changed, I am confident—and I understand it is the case—that the Government will support this amendment.

During the past two years, we have had many polarising debates on our withdrawal from the European Union, but this amendment is straightforward and should be supported by anyone who values and believes in the Union. This is not a matter of leave or remain; it is about protecting the Union and ensuring that any deal we secure with the European Union upholds the constitutional integrity of the UK.

As well as protecting Northern Ireland's constitutional position in the UK, new clause 37 is also about protecting the economy of Northern Ireland by securing our most important single market, the UK itself. There are no absolute figures, but estimates from the Northern Ireland Statistics and Research Agency suggest that external sales of goods and services between Northern Ireland and the rest of the UK were worth £14 billion in 2016, which represents approximately 58% of Northern Ireland's total external sales. To jeopardise that by subjecting Northern Ireland to extra border arrangements, effectively down the Irish sea, would be foolish.

Earlier this year, the Prime Minister rightly rejected the European Commission's proposed version of the backstop, which would have treated Northern Ireland differently from the rest of the United Kingdom. As the Prime Minister has said a number of times, no UK Prime Minister could ever agree to it. I understand that is still the Government's view.

New clause 37 does not look to tie the Government's hands. Rather, it will galvanise the Government's position on this issue and signal to the people of Northern Ireland that they will not be left behind or left out. The Irish border is being used as a red herring by the European Union. As the Prime Minister has agreed on a number of occasions, we cannot know what arrangements, if any, will be needed on the border until we know the details of any deal with the European Union. To think the opposite of that is to put the cart before the horse.

Her Majesty's Government, the Irish Government and politicians of all colours in Northern Ireland have said that they do not want to see a hard border in Ireland. When we say "hard border," we are not talking about troops being stationed along the border—that is not going to happen. Nor will whatever arrangements we reach with the EU provoke violence along the border—those years have surely gone.

What will happen, though, is what has been happening for a very long time. The two jurisdictions already have different laws, different currencies, different VAT rates, different levels of corporation tax, different fuel duties, different levels of tourism tax and different levels of air passenger duty, yet trade takes place. People cross the border each day, with some people crossing several times a day. Some checks are carried out at various places in the north and south, which is how it will continue to be, without the disruption to trade and to everyday life that some people predict.

There is, therefore, no need for discussions about the border in Ireland to hold up the wider trade talks with the European Union, nor is there any need to threaten Northern Ireland's position within the UK or Northern Ireland's economy during these talks. New clause 37 will ensure that will not be the case.

The Prime Minister has repeatedly said that the backstop proposals for Northern Ireland are something no Prime Minister of the United Kingdom could ever agree to, and this new clause will enshrine that policy in law.

**Caroline Lucas** (Brighton, Pavilion) (Green): I support all those who have been arguing for continued membership of the customs union, and therefore I support new clause 1. It is clear from everything we have heard today that, if we are to avoid serious economic hardship, membership of the customs union is essential. Frankly,

the wrecking ball that the hard Brexiteers would bring to British business and industry is pretty extraordinary, and all for what?

The Prime Minister had it pretty much right when she spelled out:

"We export more to Ireland than we do to China, almost twice as much to Belgium as we do to India, and nearly 3 times as much to Sweden as we do to Brazil. It is not realistic to think we could just replace European trade with these new markets."

She said that in April 2016, and I contend, as the Prime Minister herself is fond of saying, that nothing has changed.

In the brief time available to me, I will raise the issue of standards, particularly in relation to my amendment 71. Clause 8 sets out factors to which the Treasury must have regard when considering the rate of import duties that apply to goods. Those factors include the interests of UK consumers and the desirability of maintaining and promoting productivity and external trade.

Amendment 71 would add to those factors. First, it would add the interests of UK producers, particularly farmers. Secondly, it would add the desirability of ensuring that UK standards of animal welfare, food safety and environmental protection are not undermined by imports produced to lower standards.

The Prime Minister said at Prime Minister's questions in February 2017, and many times since:

"We should be proud that in the UK we have some of the highest animal welfare standards in the world—indeed, one of the highest scores for animal protection in the world. Leaving the EU will not change that...we are committed to maintaining and, where possible, improving standards".—[*Official Report*, 8 February 2017; Vol. 621, c. 424.]

Similarly, we have heard the Secretary of State for Environment, Food and Rural Affairs say on many occasions that we need to maintain, and where possible enhance, environmental and animal welfare standards. However, if the UK is unable to protect its farmers from being undermined by lower-quality imports, those farmers are likely to find it hard to be competitive and to go further on improving their animal welfare and environmental standards. Accordingly, when negotiating new trade agreements, it will be vital that the UK insists on the inclusion of a clause permitting it to require imports to meet UK animal welfare and environmental standards. I have tabled an amendment to the Trade Bill to that effect.

If that were not to happen and we were to lose the principle of prohibiting products that do not meet our standards, we would need some kind of backstop, which is where amendment 71 comes in. It would give Ministers the power to place differential tariffs on imports. Imports that do not conform to UK welfare standards would be subject to tariffs high enough to safeguard UK farmers. It would ensure that UK farm businesses were not undermined by low-quality products and that UK consumers would be protected from goods of a lower standard—chlorine-washed chicken, ractopamine-fed pork and hormone-treated beef, to name but a few—through tariffs on imports that do not meet UK standards. These tariffs would effectively make the cost of these lower-welfare products an awful lot higher to protect our standards here in the UK.

**Mr Fysh:** The hon. Lady makes an important point about the value of trade defences in our armoury. Would she consider supporting new clause 36, which is

[Mr Fysh]

essential if the UK is to be able to operate its own trade defence policy, because if the EU is not collecting our tariffs for us at our border, there will potentially be nothing we can do about that?

**Caroline Lucas:** I am afraid that I do not share the hon. Gentleman's faith in our own Government continuing to keep higher standards. We have already heard clear criticisms of new clause 36 for many other reasons, including the way in which it drives a coach and horses through the kind of customs union that we want, so I will not be supporting new clause 36.

I was going on to give examples of ways in which food standards in the US are much lower than our own. Many may find the prospect of eating chlorine-washed chicken disturbing. Although there appears to be no clear scientific evidence that it poses a substantial risk to human health, it is linked to poor animal welfare on farms and at slaughter. Similarly, ractopamine is a feed additive used to promote growth in pigs, and its use is permitted in the United States, but prohibited in the EU. There is evidence that it has a detrimental impact on pig welfare, with the Humane Society of the United States stating that it

“causes death, lameness, stiffness, trembling and shortness of breath in farm animals”.

Concerns have been expressed about its impact on human health as well.

My amendment 71 would simply require the Treasury, when considering the rate of import duty that ought to apply to any goods, to have regard to the interests of UK producers, such as farmers and to the desirability of ensuring that UK standards of animal welfare, food safety and environmental protection are not undermined by imports produced to lower standards. I will wrap up my comments about it there.

I am supporting a number of other measures, including that on dealing with impact assessments, which are vital when we talk about impacts on the economic situation in this country and on the Northern Ireland border. However, I just thought that it was important to put something on record in this debate about the impact on animal welfare and environmental standards, too.

**Greg Hands** (Chelsea and Fulham) (Con): Let me start by saying that I agree with my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) that the Bills we are considering today and tomorrow are vital pieces of legislation. I rise to speak against new clauses 1 and 12, which stand in the name of my right hon. Friend the Member for Broxtowe (Anna Soubry); new clause 6, which stands in the name of the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper); and new clause 11, which stands in the name of the Leader of the Opposition.

I speak as someone who voted remain in June 2016. However, having had time to study these matters at close hand, and having an objective, pragmatic and reasonable approach—I agree with my right hon. Friend the Member for Broxtowe that being objective and pragmatic is vital—I believe that it would be a grave error to enter into a customs union with the EU while being outside the EU. I shall give five reasons why I believe that to be the case.

7.15 pm

Much of the debate has focused on narrow considerations about how a border works. Important though that is, there is much more to a customs union than simply the operation of a border or set of borders, and it is very important to bring that into this debate. Before anyone proposes going down the route of entering into a customs union with the EU, we should ask whether anyone currently does that. Turkey does; it is not in the customs union for everything or a customs union for everything, but it is for most goods, with the exception of agricultural goods. The Turkish example is very instructive. Some 23 years ago, when Turkey joined this customs union, its direction of travel was the entire opposite of ours. Turkey was looking to enter the EU and saw joining a customs union, with all its disadvantages and imperfections, as a staging post to joining the EU. We are operating in the opposite direction. What happens when a country is in a customs union with somebody and it goes into a trade agreement? Well, Turkey must give access to its markets under that trade agreement, because it has signed up to the common external tariff. However, because Turkey is not subject to that trade agreement, as that agreement is with the EU—

**Mr Djanogly** *rose*—

**Greg Hands:** I am going to carry on and explore this point. Because Turkey is not subject to that agreement, as it is not a member of the European Union, Turkey must negotiate its own trade agreement with counterparts. It is not obliged to do so, and various counterparts have agreed a trade agreement with the EU but not agreed one with Turkey.

**Mr Djanogly** *rose*—

**Greg Hands:** No, I am not giving way as I am going to explore my points in the available time.

The lesson here is that these partners will be less likely, in many ways, to do a deal with such an economy, and ours is the fifth largest economy in the world. If they can get access to that economy through a trade agreement with the EU such that Britain would be forced to lower its tariffs, the people they might want to speak to are more likely to be in Brussels than in London.

My second reason relates to the pursuit of an independent trade policy and trade agreements. If we are no longer setting our own tariffs and they are set by somebody else, that weakens our ability to have a trade negotiation and to come to a trade agreement—by definition, we have a lot less to offer.

Remarkably, the third area—trade remedies—has not been explored at all tonight. I am amazed that the Labour party wants us to join—I am not sure what the official Front-Bench view is, but I think it is this—a customs union with the EU. Who would do our trade defences? Trade defences are incredibly important; they are the topic de jour in the current disputes between the United States, China and other counterparts. If we were in a customs union, it would be likely that Brussels would be making the decisions on trade remedies that would apply to the UK. We would not have a seat at that table when those decisions, which would affect our industry, were being made. Moreover, it would be likely to be against WTO rules for Brussels to make decisions

that might affect the UK, because under WTO rules, people have to show the impact on their own market, not somebody else's. So it is not at all clear to me—

**Mr Djanogly:** Will my right hon. Friend give way?

**Greg Hands:** I am going to use my three remaining minutes.

The fourth area—again, it is remarkable that Labour is ignoring this—is the potential regulation of the NHS and other public services. I think that Labour Members have forgotten the TTIP debates of four or five years ago. They got very agitated about TTIP and the prospect of granting access to the NHS and other key public services in this country via a EU trade agreement. Now they seem to be happy for the EU, through a customs union, to negotiate potential access to the NHS and our markets. Even worse, we would not have a seat at the table when that trade agreement was set up. I find it remarkable that the Labour party is prepared to do that.

My final point has also not been raised in this debate, but it is a vital aspect of the Bill: trade preferences for the developing world. Again, I think that there is cross-party support for this country doing more and better in this area. The Bill allows for the transition of the scheme of trade preferences, meaning that the UK will have its own scheme of trade preferences. It will transfer overnight the European Union GSP—generalised scheme of preferences—and GSP+ and include everything but arms. Crucially, there will be the ability to improve on that scheme. If we stay in a customs union with the European Union, we will strangle in its infancy that ability to do better than the European Union on trade preferences.

The Trade Ministers to whom I have spoken in the Governments of countries such as India, Pakistan and Bangladesh—they are all really important markets for this country and really important friends—would welcome the UK having the ability to offer better access for their goods than the European Union currently does. I am not saying that we will make a policy decision today, but it is extremely important that the Bill contains the ability for us to do that, and it is an underrated aspect of the legislation. Whatever we think of the access currently offered by the European Union, I do not think that anybody would say that the UK would be unable to offer better access if we had our own preference scheme under the Bill. That has been neglected in this debate.

Whatever we think of the original decision in June 2016, it would be a grave error to enter into a customs union with the European Union. It is not just a question of formalities and practicalities at the border; there many other really important issues, such as trade remedies and trade preferences with the developing world, that make entering a customs union with the European Union a very bad idea. I very much support the Bill and urge the House to reject the new clauses.

**Nic Dakin (Scunthorpe) (Lab):** I apologise for the fact that I had to attend a Statutory Instrument Committee, but I was present at the beginning and I am here now. It is a pleasure to follow the right hon. Member for Chelsea and Fulham (Greg Hands), who brought us back to the detail of the Bill, which is where I wish to focus my remarks.

I was concerned that the proposed dumping methodology might not address the UK steel industry's concerns, so I am pleased that the hon. Member for Stafford (Jeremy Lefroy) has tabled amendment 25. I am also pleased that the Government have engaged with Members from all parties and that last week, in response to a written parliamentary question from the hon. Member for Middlesbrough South and East Cleveland (Mr Clarke), they underlined their commitment to

“protecting UK industry where it is suffering injury as a result of dumped imports.”

The Government went on to say that they would not allow that to happen and would use mechanisms for the calculation of dumping methods that, on the face of it, seem to have the support of industries such as steel and ceramics. I very much welcome the fact that the Government have listened and have worked with key industries during the Bill's progress through Parliament.

I am less convinced by the situation in relation to the economic interest test. I was rather hoping that, in line with the rhetoric that we heard throughout the whole argument for leaving the European Union, we would take advantage of the opportunity that leaving the European Union offered to reduce any bureaucratic pressure on industries such as steel, rather than adding to their bureaucratic pressures. The economic interest test in the Bill adds extra layers compared with what currently exists in the European Union, so we have the genius of a Government bringing forward something even more complex than what we already have in the European Union. I did not think that was the purpose of what we were doing; perhaps I was naive.

In Committee, we expressed concerns about the proliferation of economic interest tests that have been built into the regime and that measures must pass before tariffs can be introduced. Of particular concern was the fact that such tests will first be conducted by the independent Trade Remedies Authority and then again by the Secretary of State, theoretically on a completely different basis. As such, we have pushed for the Secretary of State's power in relation to the tests to be curtailed and at most to act as a sense-check on what the TRA has conducted. Anything more than that will introduce an unacceptable level of potentially political interference into the process. It will be an unnecessary block on what is happening. The real worry is that it will delay the introduction of trade remedies and thereby potentially subject industry to more damage. However, the Government have tabled amendments 103 and 108, which go some way towards addressing the concerns I have just outlined.

Government amendments 110 to 112 and 116 to 118 seek to deal with the replication of tests, but they would not do that sufficiently well, so I shall support amendment 21, tabled in the name of the Leader of the Opposition, which would achieve a better outcome.

Finally, let me say a little about safeguard measures and adjustment plans. I am concerned that the Government intend to require any industry that requests safeguard measures to submit adjustment plans to demonstrate how it will adjust to new market circumstances, before any safeguard investigation can be launched. In essence, that would require an industry to demonstrate what changes it was making to its operations, including efficiencies and rationalisations, before a safeguard investigation could even start. UK Steel and others have pointed out that in situations such as those we currently face in

[*Nic Dakin*]

relation to US section 232 tariffs, such a requirement would be unjustified. Industry should not have to make major adjustments to deal with what is likely to be a temporary situation introduced by the non-WTO-compliant actions of another Government. I am therefore pleased that the Government have tabled amendment 113 to modify the requirement, allowing the TRA to waive the requirement when it deems it necessary or suitable. It would, though, be better if that pressure on industry—at a point at which it is already under significant pressure—were not there.

I wanted to put those concerns on the record so that the Government have the opportunity to make further improvements to the Bill as it makes progress in the other place and before it comes back to this House.

**Craig Mackinlay:** I rise to speak to amendment 73, tabled in my name and the names of my right hon. and hon. Friends, and which I wish to move at the appropriate time.

It now has to be a settled will that in future we are not going to be in the, or a, customs union with the European Union. That became clear during the hours of debate on the European Union (Withdrawal) Bill in this place and the other place, and that Bill became an Act. It is clear in the Chequers deal and the White Paper on the future relationship. The statement “We will not be in the customs union” has passed through the Prime Minister’s Lancaster House and Mansion House speeches, and through her statements on the Floor of the House on occasions far too numerous to mention.

We are not to be in a customs union. That was clearly the compact with the public made by the Conservatives and the Labour party in their manifestos last year. It is clearly the will of the people, as expressed in the June 2016 referendum. I do not think there can be any doubt about the clarity, because it was mentioned by all involved in that debate, no matter what side they supported. It is clearly the will of the people, of the Prime Minister and of the Cabinet. Similarly, when we negotiated and passed the European Union (Withdrawal) Bill, it was the will expressed by a majority of this place.

My hon. Friend the Member for North East Somerset (Mr Rees-Mogg) said earlier in an intervention that, were it necessary for there to be a customs union with some part of the world, there would need to be, at the right time, primary legislation that would also incorporate any requirements in the Government’s proposed new section 16A, which I am trying to nullify with amendment 73. I certainly hope that, given those settled wills, my amendment will be supported by the Government because anything else does not square with the manifesto on which we were elected and it certainly does not square with the manifesto on which the Labour party was elected either.

7.30 pm

We must examine this question: why on earth, under any circumstance—putting customs union aside—would we want to stay in the arrangements for the administration of VAT that the EU has? It is quite odd. It actually encourages buying from the EU in preference to buying from domestic markets. Let me put that into context.

Let us say an imaginary widget sells for £100 in the UK from a UK supplier, £100 from an EU supplier, and £100 from a US supplier. In the case of the purchase from a UK supplier, depending on the trade terms—one might have to pay within 30 days and there is a three-monthly VAT cycle—one would have to have a cash flow of £120 to buy it. Some months later, depending on the timing of one’s VAT return, one would get the £20 back. If one were to buy from a US trader, one would have to pay the £20 input VAT upfront as it crossed the border. But in the case of buying from an EU supplier, an imaginary VAT on the acquisition is created—one self-charges and there is an output later when it is sold in the UK. However, the cash flow is to spend only £100 with the EU supplier. Therefore, by being in the EU VAT system, we have created, perversely, a requirement, almost a push, towards competition that favours buying from abroad.

I really hope that Labour Members take this next point on board this evening. If we were to adopt the VAT directives in perpetuity—it seems that, now, many Labour Members would like us to adopt as part of our staying in the customs union—I really wonder how, following their campaign against the tampon tax, the hon. Members for Walthamstow (Stella Creasy), for Dewsbury (Paula Sherriff) and for Birmingham, Yardley (Jess Phillips)—I did alert them to the fact that I would mention them this evening—would stand up in public and say, “Oh, by the way, I have abandoned that idea.” I took part in that debate in this House and the proposal was supported across the Chamber. Are Labour Members really going to say to the electorate, “I am sorry, but that has all gone now, because we are actually in favour of customs union and of staying in the VAT directives” which are the reason why, in all of these years of EU membership, we have been unable to do anything about these hated taxes?

I would extend that to things such as solar panels and insulation products. Would any rational person in this House put VAT on solar panels and insulation products? I do not think that they would, but we have to do it because the EU requires it. Would we not rather like to reduce VAT on domestic heating and fuel? I think we would generally—

**Mr Leslie:** Will the hon. Gentleman give way?

**Craig Mackinlay:** I will; I would enjoy continuing my speech so please intervene.

**Mr Leslie:** Did the hon. Gentleman notice that, in March 2016, the European Union agreed, on the so-called tampon tax issue, to allow zero-rating? Therefore, the point that he made is completely debunked.

**Craig Mackinlay:** I am sorry, but that must have passed me by. I know that, to get around the difficulties that were caused by the tampon tax and the significant debate that we had in this Chamber, of which I was a part, the Government agreed to sort of equal the amount that was collected to pass it to charity. So it seems bizarre that we have not taken the steps that are available.

The other thing about going along with the VAT directives and how VAT is managed is that we have been subject to the missing trader intra-community fraud, the so-called carousel fraud, which cost this country

£1.7 billion last year. It is estimated to cost the EU as a whole into the tens of billions of pounds. Over the period of the administration of VAT in its current form, it could have cost anything up to £100 billion across the EU. Are we really saying that these failed systems are something that we want to be attached to in perpetuity?

The Prime Minister has said very clearly that we will be in control of our tax policy. Just last week, following Chequers, the Secretary of State for the Environment also confirmed that we cannot actually set our own taxes as we would wish to at the moment because VAT is set in accordance with EU rules. That is another area in which we will be sovereign. Amendment 73 would make sure that, no matter what the future holds, primary legislation will be needed to do this. We cannot have the vestiges of some of the worst VAT rules that anybody could ever imagine remaining on our statute book. For that reason and given that powerful debate on the tampon tax, I certainly hope that others across this House will support that amendment this evening.

**Mr Speaker:** Has the hon. Gentleman completed his oration?

**Craig Mackinlay** *indicated assent.*

**Mr Speaker:** He has. We are grateful to him.

**Sammy Wilson** (East Antrim) (DUP): When we had the referendum result, and given the bitterness that existed during the referendum, I had absolutely no doubt that, despite the overwhelming vote, we were going to see guerrilla warfare conducted against the will of the people of the United Kingdom. We have seen it over the past year and a half—fall-outs in this place and fall-outs in TV studios, newspapers and so on. The amendments to this Bill fall into one of those two categories. People will give a whole variety of reasons, but, basically, they want to move amendments to this Bill to keep us in the institutions of the EU, which has bound us for so many years and from which people voted to be free. On the other side, there are those who wish to remain true to the vote of the people and make sure that everything is done to deliver on the promises that were made during the referendum.

Unfortunately, Northern Ireland, which has featured in nearly every speech here tonight, has been caught in the crossfire of that guerrilla warfare between those who wish to keep us in the EU and those who wish to honour the result of the referendum. The Northern Ireland border, the Good Friday agreement and the peace in Northern Ireland have been thrown around willy-nilly. To be quite frank, the people of Northern Ireland feel abused in this whole process. I have heard people in this place talk about the Belfast agreement as if it were their bedtime reading. They probably do not even know what the document looks like.

It has been suggested that if we do not abide by those who wish to keep us in the customs union and the single market, we will have a hard border in Northern Ireland, which will affect the peace. I do not know what this hard border will look like, but I can tell Members one thing: if they think that a couple of border posts along the main road at Newry, the main road into Londonderry and the main road into Enniskillen will represent a hard border that will somehow protect the EU from the incursion of goods that they do not want, then they do

not even understand what it means. It could be that they think that a hard border means a minefield around the border with watchtowers so that no lorries can sneak across the 300 or so roads, or that people cannot build sheds in the middle of field where they put goods in one side in Northern Ireland and they come out the other side in the Irish Republic. It is a ridiculous suggestion, yet it is thrown at us all the time.

We heard the right hon. Member for Broxtowe (Anna Soubry) talk about the impact on the border and that the World Trade Organisation would insist on the provisions because it would have to protect trade. The Irish Republic currently brings in goods from the rest of the world. Does it stop every container that comes in? No, it does not. Does it stop 10% of the containers? No, it does not. It does not even stop 1%. In fact, Gambia stops more trade coming through its borders than the Irish Republic stops. The idea that, somehow or other, every good that comes into the EU via Northern Ireland and then the Republic will have to be stopped does not even match with common-day practice.

When it comes to collecting taxes, 13,000 lorries a year cross the border carrying drink to other parts of the United Kingdom. There is duty to be collected on that, but not one of them is stopped because the duty is collected electronically through pre-notification and trusted trader status. We can protect the border and meet WTO rules without having all the kinds of paraphernalia suggested here tonight.

**Kate Hoey** (Vauxhall) (Lab): The right hon. Gentleman is quite right; there seem to be an awful lot of people who do not really understand what goes on at the border now. Why would anyone who supports Northern Ireland even think of voting against new clause 37 tonight? The new clause clearly puts it out there that we want Northern Ireland to be treated the same way as the rest of the United Kingdom, so in voting against it, people would actually be supporting the Republic of Ireland.

**Sammy Wilson:** That is the whole point of new clause 37. First, it would deliver on the promises made by the Government; it puts those promises into law. Secondly, it would avoid the break-up of the United Kingdom and the kind of nonsense that we are going to hear from the Scottish National party—that we can redefine the United Kingdom to exclude Northern Ireland when it comes to trade issues. Of course, that would be against the Belfast agreement, because the Belfast agreement does not actually say a great deal about borders, but it says a lot about the integrity of the United Kingdom—that it cannot be changed by diktat from the EU or by demands from Dublin. It can only be changed with the will of the people of Northern Ireland. Yet the suggested backstop arrangement is at the behest of the EU, which seems to disregard the most important part of the Belfast agreement and has destabilised Northern Ireland as a result.

**Karin Smyth** (Bristol South) (Lab): The right hon. Gentleman is of course right that the constitutional status of Northern Ireland has not been in dispute for a very long time and is underlined by the Belfast/Good Friday agreement. People have only started talking about the constitutional arrangements in Northern Ireland as a result of Brexit. That is the only thing that has now

[Karin Smyth]

started to trigger any discussion around the break-up of the United Kingdom, and I am afraid that his party has helped that process.

**Sammy Wilson:** That is the point that I am making—that this red herring has been thrown into the debate to try to persuade people like me and Government Members to stay within the customs union and the single market. It is a red herring because, as I have said, it is not essential to have a hard border to protect trade between the United Kingdom outside the EU and the Irish Republic inside the EU. Other methods are currently used. We have a fiscal border, a regulatory border and a currency border. We do not need checks at the moment, so why would that change once we leave the EU?

The third thing about new clause 37 is that it would actually strengthen the Prime Minister's hand. When she goes into negotiations, Barnier and Co. will still be badgering her and insisting that there has to be a different regime of regulation, law and EU interference in Northern Ireland. It will strengthen the Prime Minister's hand to be able to say that the Parliament of the United Kingdom has said in law, "We will not and cannot change the status of Northern Ireland. We cannot have separate customs arrangements for Northern Ireland and the law says that."

New clause 37 would also protect Northern Ireland from being cut off from its biggest market. The Irish Republic is not our biggest market. The whole EU is not our biggest market. Over 60% of the produce of Northern Ireland comes to Great Britain. Ironically, if the Government in Dublin were thinking with their head, they would recognise that the Barnier formula for the border is also detrimental to the Irish Republic, because it would mean having a border down the Irish sea, cutting the Irish Republic off from its biggest market. Over 50% of its agricultural products come here, yet it is concerned about the paltry border that counts for 1.6% of its trade. People just fail to understand why this should be the case and why the Government of the Republic should take that view.

The Prime Minister has an opportunity. New clause 37 would strengthen her hand in the negotiations coming up to October. She still has the opportunity to tell the EU, "If you want our money, give us a fair deal. We'll prepare for a no deal if we can't get a good deal. The balance of trade rests with us. If you want access to our markets, make sure that we get access to your markets." That should be the approach. Get the handbag out, do a bit of swinging and get a good deal.

7.45 pm

**Sir Bernard Jenkin:** I am very pleased to follow the right hon. Member for East Antrim (Sammy Wilson), who has put on the record a great deal of fact and truth about the way in which the Northern Ireland issue has been treated in the negotiations and by the negotiating parties. What he missed out in his remarks was that this was not an issue until the Varadkar Government were elected. The expectation was that there would be an invisible customs frontier in Northern Ireland. That was confirmed by Bertie Ahern when he gave interviews on the subject. It was confirmed by the head of the Irish customs organisation when he gave evidence to the Irish

Dáil. It was confirmed by Jon Thompson, the head of Her Majesty's Revenue and Customs, when he initially gave evidence to the Treasury Committee. This was not an issue until it was made an issue.

We are being asked to believe two extraordinary things. The first is that the Irish Republic itself might put infrastructure at the border of Northern Ireland, when the only reason that the Irish Republic recognises that there is a frontier between the Republic of Ireland and Northern Ireland is that it signed the Good Friday agreement—the Belfast agreement. Secondly, when President Juncker appeared in front of the Dáil a few months ago and was pressed to give an assurance that he would not force the Republic to put infrastructure at the border, he more or less gave that assurance. In fact, it was perfectly clear that he was not going to say, "We will force you to put infrastructure at the border," so it is clear that the EU is not going to force anyone to put infrastructure at the border.

It is still the policy of the Government that we might leave even without a withdrawal agreement, on WTO terms. Under such circumstances, we will not put any infrastructure at the Irish border in Northern Ireland, and we will challenge the Irish Republic and the EU Commission not to do the same in the interests of peace in Northern Ireland. It is perfectly possible to manage an infrastructure-free customs frontier in Northern Ireland, and that is what will happen. It is pure obstinacy on the part of the Commission that it will not negotiate with the United Kingdom a free trade agreement on the basis of making an agreement with the whole United Kingdom, instead of excluding Northern Ireland.

**Kevin Hollinrake:** My hon. Friend is making some very good points. I certainly do not argue that we should be members of customs union, but the Freight Transport Association recently gave the example of a situation whereby a trailer full of 40 different consignments goes from Birmingham to Belfast, and then goes into 40 different white vans in Belfast. How does my hon. Friend propose that we would meet our responsibility to pay customs in such a situation?

**Mr Speaker:** Order. I am immensely grateful. May I encourage the hon. Member for Harwich and North Essex (Sir Bernard Jenkin) to draw his remarks to a close? He is within his time, but a lot of other people want to speak and I am being pressed by people who, quite understandably, want time. If the hon. Gentleman—with his brilliant eloquence and pithiness—could wrap up in a minute or two, that would be marvellous.

**Sir Bernard Jenkin:** Thank you, Mr Speaker. Just to answer my hon. Friend's point, I think that we have to be practical. There will be a change in the way in which people treat consignments because they are crossing a customs frontier, but as the technology develops it will be possible to track individual consignments or multiple consignments in trucks across customs frontiers. We have discussed this matter with Revenue and Customs in this country. Ultimately, in future—looking ahead 10 or 20 years—the idea of customs frontiers existing between countries that trade tariff-free will become obsolete. To hinge our entire Brexit policy on the issue of not having customs declarations and customs frontiers is very last century, and we should not be captured by that.

My remarks are directed primarily at amendment 72, which I confess has turned out to be disappointingly uncontroversial. It was the intention of the European Research Group, a group of Conservative Back Benchers, to table four amendments—one or two of them in the light of the Chequers agreement and the White Paper—to test our understanding of the intention of Government policy. Every single one of our amendments, we believe, reflects Government policy. I do not imagine that the Government would have accepted any of them as calmly as they have if they did not reflect Government policy.

**Mr Grieve:** No, it is because they are useless.

**Sir Bernard Jenkin:** My right hon. and learned Friend, who seems to be becoming a remainer again, judging from his article in the *Evening Standard*—

**Anna Soubry:** Oh, come on.

**Sir Bernard Jenkin:** No, that is what he said. He said that we will have to rethink Brexit completely if we cannot get a satisfactory arrangement. That is the direction he is going in. I respect his view, but throwing around insults like “useless” is not elevating the debate.

My amendment 72 simply removes from the Bill an extraordinarily powerful Henry VIII provision that we should be signed up to a customs union with the European Union simply by order. Following the amendment that my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) tabled to clause 9 of the European Union (Withdrawal) Bill, I thought that what is sauce for the goose is sauce for the gander. I do not suppose that I shall hear him speak against my amendment, because it puts Parliament back in control of the decision to join a customs union with the European Union. That is what I think we should do.

**Mr Speaker:** Ahem!

**Sir Bernard Jenkin:** I end on this one point, Mr Speaker. We have heard a lot about 40 MPs having an excessive amount of influence in this Chamber. In fact, 17.4 million people voted leave in the referendum, and 70% of Conservative MPs and 60% of Labour MPs represent leave constituencies. It would be bizarre if, in the end, the House of Commons, which was elected predominantly on leave manifestos, put up road blocks against leaving the European Union, and I do not believe that it will.

**Mr Speaker:** Thank you. The time limit will have to be reduced, with immediate effect, to five minutes.

**Helen Goodman** (Bishop Auckland) (Lab): I wish to speak to new clause 11 and against amendment 73.

Last week, we had a debate in Westminster Hall in which the Financial Secretary to the Treasury, who is back in his place, advised me that everything would become clear when the White Paper was published. I am afraid that for me, 70 minutes before we are going to vote, Government policy is still not quite clear. I am going to ask the Minister a few questions in the hope that we might get some clarification from him. I am interested in the interrelationship between the Bill and the White Paper, which was published last week.

Contrary to what some right hon. and hon. Members wish to say, the common market, which is the customs union, is fantastically popular with the public. Whenever

I ask my constituents, “What do you dislike about Europe?”, they say, “Being bossed around”, and “The immigration.” When I say, “What do you like about it?”, they say, “Oh, we love the common market.” Well, of course, the common market is the customs union. When I talk to industrialists, what they want—in the words of GlaxoSmithKline, which employs 1,000 people in my constituency—is “no disruption”. PPG Industries, which is a supplier to Airbus, wants a common rule book. When I spoke this morning to the North East chamber of commerce, it said that 90% of its members want to stay in the customs union. We know that legally speaking that is not possible, so we have to have a new one that will give them the “exact same benefits”.

I am not clear about whether the Bill facilitates the customs approach that is set out in the White Paper. Nor am I clear about which of the Government’s amendments have made changes to the Bill that will enable them to undertake the facilitated customs arrangement that they have described in the White Paper. Nor am I clear—I very much hope that the Minister will be able to explain this; I am sure that he now will be—about whether the Government’s proposed acceptance of amendments from the ERG means that they are abandoning the facilitated customs arrangement as their opening position or that they are still holding to it. If they are still holding to it, I would suggest that it is not wholly practical. It will need a tracking system so that when people import goods, they know where their final use is going to be. This is a whole new bureaucratic system. It means that people who import will have to have information along the supply chain that, at the moment, is of no concern to them. The White Paper says that there is going to be a formula so that we can follow the proportions from the past year, but what if things change from one year to another? Then people will have to make their rebates on the basis of new, fresh information in real time. It sounds very much as though we are going to have not only VAT but VAT mark 2.

Paragraph 20 on page 18 of the White Paper says:

“This could include looking to make it easier for traders to lodge information...This could include exploring how machine learning and artificial intelligence could allow traders to automate...This could...include exploring how allowing data sharing across borders”

would work. It could include rather a lot of things. I can only imagine officials saying to Ministers when they were drafting this, “This does seem to involve rather a lot of imagination.” It does not seem to be bottomed out. I would much prefer it if we could go along the path set out by my hon. Friends on the Front Bench in new clause 11, because what is being proposed will be horrendously bureaucratic and an open invitation to smuggling.

**Mr Grieve:** There is one matter on which I agree with my right hon. Friend the Member for Haltemprice and Howden (Mr Davis), and that is that this piece of legislation is needed if we are leaving the EU. That is the first basic point that needs to be made in considering this Bill on Report.

Then one has to consider why the Report stage becomes so controversial. The difficulty is that throughout the whole of this Brexit process, we are collectively going through an exercise in both deception and self-deception about the implications of leaving the European Union and the sort of relationship we may have thereafter.

[Mr Grieve]

My right hon. Friend the Prime Minister has produced a White Paper. It is far from perfect. It, too, continues with some of those obfuscations, I have to say. To give an example—I know that this has irritated many of my right hon. and hon. Friends—it talks about the common rulebook and then says, “Don’t worry—we will be escaping the jurisdiction of the European Court of Justice.” We may escape its jurisdiction, but I am the first to accept that the reality is that we are going to be bound by its jurisprudence, without any ability to influence how that jurisprudence develops. That is one of the costs that we are paying as a result of deciding to leave.

In exactly the same way, there are other costs that come from leaving and that we tend to brush under the carpet, including the economic costs that are going to come to this country. If we are going to make rational choices, we need to avoid continuing with exercises in self-deception. The reason I think it right to support the Prime Minister on the White Paper is that despite all the difficulties she has had, this represents the first sensible document to found a proper negotiation. I wish her well with it, even if I have criticisms of it, worry about the absence of services and a common market for that, and worry about some of its other aspects; nevertheless, it is well-intentioned.

Then I look at the four amendments tabled by some of my hon. Friends—36, 37, 72 and 73. The first thing to be said about them is that one—the one about Northern Ireland—correctly identifies an obfuscation that the Government have been practising for a considerable time. We and the European Commission are talking different languages when it comes to the backstop. I have no difficulty emphasising the fact that no Parliament of the United Kingdom is ever going to support a backstop that goes simply for Northern Ireland alone.

8 pm

I turn then to new clause 36 and amendment 73. The first thing that strikes me about them is that they are designed directly to undermine the White Paper, and the second is that they do not do the job, because they are inadequately drafted. Therefore, the second obfuscation is that the Government accepted amendments that they know cannot do what they are intended to do. Not only that, but they said so to my right hon. and hon. Friends and they have decided not to say, “Oh, in those circumstances we withdraw them,” but to persist with them because they are just an exercise in bullying. It is not my job as a Member of Parliament to put on the statute book clauses that are inadequate, incomprehensible and, on top of that, seek to undermine the Government. That is why I describe those two amendments as entirely malevolent and why I shall vote against both this evening.

**Matt Western** (Warwick and Leamington) (Lab): I rise to speak to new clauses 1, 11 and 12, and very much in support of a customs union.

I was surprised by the way the former Secretary of State, the right hon. Member for Haltemprice and Howden (Mr Davis), described the border between Detroit and Ontario, which I was lucky enough to visit in February with fellow members of the International Trade Committee. I witnessed something slightly different from what he witnessed. I did see friction—even on a very cold, icy day, people spent considerable time at

the border. There is an X-ray building for pantechinons, and vehicles are frequently taken out of queues to be examined. The situation there is not as simple as he suggested. To underline that—perhaps he is not aware of this—Canada is having to invest in a second bridge across the river between Ontario and Detroit to safeguard its businesses because of the delays they suffer.

I agree with the right hon. and learned Member for Rushcliffe (Mr Clarke), for whom I have huge respect. He described the great fear associated with what seems to be the pursuit of ideological goals or indeed personal ambition on the part of certain individuals. Importantly, for almost a year I have been trying to encourage businesses—the likes of Jaguar Land Rover in my constituency and others—to speak out. Businesses are terrified of doing that because they fear incurring the wrath of the public. They see it not as their responsibility but as ours, as elected representatives. However, in recent weeks, they have felt it necessary to speak out, and of course we have heard from Airbus and Jaguar Land Rover. On the rare occasions they speak, they do so softly, but it is important that we and the public listen to them.

It is far more important for us to listen to the likes of Jaguar Land Rover and BMW-Mini than—dare I say it?—to the right hon. Member for Uxbridge and South Ruislip (Boris Johnson). I think the public are beginning to see that—and to recognise that, among all the debate that goes on in this place, those business voices are starting to provide some clarity.

Businesses have waited for more than two years for the Government to give them some sort of direction in the face of uncertainty, which is a threat to them. I was interested to hear the hon. Member for Harwich and North Essex (Sir Bernard Jenkin). I respect him and his experience, but disruption and uncertainty are the greatest concerns for businesses, which have been reviewing their options for the past 24 months. Irrespective of where we end up in the coming weeks, they are already making decisions and looking at options abroad for future investment.

Anything that makes life difficult for businesses—anything that adds cost and time—makes them review their options and consider what is in their best interest. In the automotive sector and many others, businesses would not be so obviously viable if they had to incur the cost of additional tariffs under WTO rules. They will review a 10% or 4.5% tariff, cost it in and think, “Is it really best for us to stay in the UK?”

**Hilary Benn:** My hon. Friend speaks with great experience on these matters. Does he agree that small businesses may not be able to accommodate the additional costs he mentions from tariffs, rules of origin—we discussed those earlier—and customs declarations, which may exceed the profits they make on the goods they sell? Small and medium-sized enterprises would be most adversely affected by a no deal situation, which some Government Members argue we should contemplate with equanimity.

**Matt Western:** My right hon. Friend is right that SMEs, particularly in the component supply chain, are the most vulnerable to these sorts of changes. They are the most likely either to lose business elsewhere or to have to move abroad. I can give concrete examples where that has already taken place.

The right hon. and learned Member for Rushcliffe described the apparent view that the customs union is some sort of problem holding us back. He is right that it has not held us back. The likes of Germany, which exports 10 times more to China than we do, are in the customs union, which has not been to their disadvantage. As he said, we have witnessed the most phenomenal explosion in the success of the automotive industry in this country over the past 10 years—after 20 years of relative stagnation, it grew by more than 50% in that period.

In summary, where it is rare for businesses to speak out, we should listen. They do not intervene lightly in politics, in this country or elsewhere. The preservation of a true customs union is critical to safeguarding business and investment in this country, and that is why I support new clauses 1, 11 and 12.

**Justine Greening (Putney) (Con):** I should say first that I recognise the importance of the Bill and why it is necessary if we are leaving the European Union. However, many of the amendments reflect the fact that, regrettably, the White Paper simply does not represent the clearcut, deliverable strategy that I believe our country needs—it is a fudge.

As my right hon. Friend the Member for Chelsea and Fulham (Greg Hands) set out, remainers question why we are accepting so many rules while forfeiting the right to sit at the table where they are decided. I know that many of my colleagues who campaigned strongly to leave are equally unhappy and believe, with some merit, that people who voted leave in the referendum are simply not getting the kind of Brexit they feel would give our country the clean break it needs if it is going to be successful.

I spent a long time in business before I came to this place, and I know that if a strategy is to be successful, it needs to be clearcut and one that everyone can get behind. I may not agree with some of my colleagues about what the best strategy is, and I may not want to leave on WTO rules, but in the context of the White Paper it is important for us to listen to colleagues who are respected on this issue—perhaps none more so than my right hon. Friend the Member for Haltemprice and Howden (Mr Davis). Of course, he has been at the forefront of this deal's development for the past two years, alongside my hon. Friend the Member for Wycombe (Mr Baker), whom I think we would all describe as ever-resourceful. Both took principled decisions to leave the Government, and I respect that. I know from my own circumstances that such decisions are not easy, but I also fully understand why they took them.

There might, in practice, be three practical options for our country's way forward, but I believe that, in reality, there are only two clear strategies, and therefore only two paths to take if we are to achieve a successful Britain in the long term. Of course, both paths have pros and cons, and although there are passionate views on both sides, it is important that we debate these, as far as possible, in a measured way.

But the Prime Minister has now presented us with a third way—a compromise between the other two pathways. I understand the Government's desire to achieve compromise, but I genuinely believe that the White Paper demonstrates that, in reality, our choice is between either one approach or the other. It is vital that we have a realistic, clearcut strategy that can actually be delivered.

If we have a plan that we cannot deliver, it is not a plan. Regrettably, the White Paper attempts to ride two horses, and that never works.

It is on that basis that I have said that this deal is the worst of all worlds, and in the end it will please no one. It is probably the worst outcome we can get. It keeps nobody happy at all. Whether one accepts my arguments or those of my right hon. Friend the Member for Witham (Priti Patel), for example, both paths have pros and cons, but both represent clear routes forward that are genuine strategies for our country.

My concern is that this place has reached stalemate. As this debate exemplifies, there are still deep divisions in people's views, and I think we understand why. My view now is that, because of that stalemate, it is time for the British public to have the final say on the clear approaches we face on Brexit. We absolutely must settle this now if we are to move beyond Brexit and get on to the vital issues facing our country such as housing, a lack of social mobility and social care. That is what we should be aiming to do. I do not believe that we should have a compromise that simply has to be reopened and renegotiated later. I have reached my conclusion on the Chequers deal, and I know that colleagues will look more closely at it in the coming days. I leave Members to think on these words:

“Standing in the middle of the road is very dangerous; you get knocked down by the traffic from both directions.”

**Several hon. Members rose—**

**Mr Speaker:** Order. Several Members, all on the same side of the House, wish to speak. I suggest that the time limit be now reduced to four minutes, but it is not obligatory for Members to consume all four.

**Mr Rees-Mogg:** May I first thank my right hon. Friend the Member for Putney (Justine Greening) for making what I thought was a remarkably gracious speech, in quite a fevered atmosphere, and for putting both sides of the case so generously and kindly?

I want to speak to the four new clauses and amendments that I have supported and, in most cases, put my name to. They are broadly in line with Government policy, which is why the Government have accepted them. New clause 37 relates to the Northern Ireland question. It is clearly Government policy that Northern Ireland should not be removed from the rest of the United Kingdom, and I think that to put that in legislation would be beneficial.

Amendment 72 relates to Henry VIII clauses. I agree with my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve)—or “beacon's field”, as Benjamin Disraeli pronounced it—that we should not have Henry VIII clauses if we can possibly avoid them, as they are not good legislative practice. The fewer Henry VIII clauses we have, the better. I confess that I would have supported my right hon. and learned Friend in earlier Bills had I not thought that, in so doing, I would have caused suspicion on the other side of the European debate, with people wondering what on earth I was up to. However, I am very pleased that Henry VIII clauses are becoming less popular in the House.

Amendment 73 has been a topic of discussion in relation to no EU VAT regime. This is actually Government policy, as set out by my right hon. Friend the Secretary

[Mr Jacob Rees-Mogg]

of State for Environment, Food and Rural Affairs on “The Andrew Marr Show”, when he said that once we had left the European Union we would not be part of the EU VAT regime. The difference here is between acquisition VAT and import VAT. Import VAT is the normal way we charge VAT on third countries outside the European Union, whereas acquisition VAT is an EU system. Therefore, if we are leaving, it makes absolute sense to be out of this, and that fits with what the Government have said.

**Mr Leslie:** I do not quite see how the hon. Gentleman can say that that is compatible with the Government’s policy, given that the Chequers White Paper, which was published only last Thursday, states:

“To ensure that new declarations and border checks between the UK and the EU do not need to be introduced for VAT and Excise purposes, the UK proposes the application of common cross-border processes and procedures for VAT and Excise”.

How is his proposal in any way compatible with Government policy?

8.15 pm

**Mr Rees-Mogg:** I can merely appeal to how this was set out by my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs, who said that we would not be part of the EU’s VAT regime. VAT is not collected at the border; it is collected via statements from people who import and then send in returns in relation to their VAT. This would enforce a uniform system across all our VAT collection—that is the purpose. If a Minister states that that is Government policy, it is good enough for me, and if it is Government policy to have that in law, it seems quite sensible. Therefore, not having a clause that is contradictory to Government policy simply flows from that.

I want to focus on new clause 36, which has attracted the most controversy in this debate. The importance of the new clause is that it would actually allow the Government to run their trade policy. Trade remedies, which were mentioned by my right hon. Friend the Member for Chelsea and Fulham (Greg Hands), would not be possible if the new clause were not implemented, because that position would simply allow for goods to be imported into the UK via other EU member states and not subject to any anti-dumping measures that we might have taken.

Right hon. and hon. Members might be aware that in 2016 we bought £42 billion-worth of imports from Holland and £26 billion-worth of imports from Belgium. That was not entirely clogs and chocolates; it was, in fact, re-imports of goods that had come through the major ports in the low countries and through to the United Kingdom. That is a major gateway of goods into the EU that then come to the UK. If we have our own trade policy, we must be able to ensure that those goods are subject to our duties, in terms of revenue collection and protection, but also in terms of anti-dumping measures, if we choose to take them. Otherwise, we would find that we were simply following anti-dumping measures implemented by the European Union and had no independent policy.

The point of reciprocity also seems to me to be fair. If we are to say to the European Union, “We will collect your taxes and remit them to you,” that is potentially a

large amount of money to be sending to the European Union, giving up all the duties that would fall to us as a result of goods entering the 27 remaining member states. Should we really be affording to do that? What is happening to that revenue, in terms of our independent trade policy, not if we want anti-dumping measures, but if we want to lower prices?

**Several hon. Members rose—**

**Mr Speaker:** Order. I think that three minutes will now suffice.

**Mr Djanogly:** Let me start by saying that, to my mind, the European Research Group’s amendments are clearly aimed at restricting the Government’s ability to negotiate, if indeed they are compatible with the White Paper at all—a White Paper that I support. Amendment 73 and new clause 36 certainly fall into that category. I think that they have been tabled by those who wish to create such difficulties and red lines that we are forced into a hard Brexit, ostensibly by default but secretly by design. They will not have my support tonight.

I want to address the claims of those who say that we do not want the FCA, or indeed a customs union, because we cannot then strike our own trade deals. I note that the Government maintain that we should be able to separate goods from services, but others caution against that because goods and services are often so intrinsically linked that it is unrealistic. I will wait to see the EU’s position.

However, on the central issue of negotiating our own FTAs, I think that we need to question the benefits that so many seem to be taking for granted. First, we need to appreciate that the Department for International Trade is currently acting like something of a Jekyll and Hyde character—on the one hand the Secretary of State is talking about bravely striding around the world seeking new FTAs with countries such as the US and China, but on the other he is pleading with the EU and about 70 third-party countries to roll over the existing 40 or so FTAs that the EU now has with them. So, with more than one third of the world’s countries, Brexit represents the chance at best to get the same deal as from the EU. From the look of things, we may yet get a worse deal in some cases as those third countries start evaluating the decreased advantage of dealing with 50 million rather than 500 million people.

Secondly, there is little evidence that business sees any advantage in customs differentiation—indeed, quite the opposite. The vast majority see advantages in our customs negotiating position, which emanates from the power of the huge trading bloc that the EU represents, and will wish in any event to stick as closely as possible to whatever trading position the EU takes.

Thirdly, world trade is much more interlinked and complex than most people discuss. For example, some of the existing trade agreements that we want to roll over, such as those with Canada and South Korea, feature most favoured nation clauses. Therefore, if we agree a FTA with the USA that offers better terms than those we agreed with Canada, Canada would need to be offered the same. The advantages of being outside the customs union are thus much reduced in any event, and talk of becoming a colony or vassal state is ridiculous.

Fourthly, we live in a world of trading deals where size matters. Rather than discussing a trade deal with the US, we have become caught up in a trade battle. Again, if we were in a customs union, we would have more cover.

Finally, the process of negotiating new FTAs is a long and arduous business. The average time is seven years; Canada took 15 years. Bargaining is tough and based on potential market clout. That goes back to the possibility of US chlorinated chickens and so forth. We need—

**Mr Speaker:** Order. I am extremely obliged to the hon. Gentleman, to whom I could always listen at length, but we must move on.

**Kevin Hollinrake:** I want to speak against new clause 1, which my right hon. Friend the Member for Broxtowe (Anna Soubry) tabled.

Among many points my constituents have made to me in the past few weeks, they have asked why the House cannot work together on Brexit. I suppose the simple answer is that our biggest challenge—what divides us most—is not acceptance of the result of the referendum on 23 June 2016, but its practical interpretation as the basis for our future relationship with the EU.

Parliament is bound by our promise on Brexit, but perhaps it also needs to accept some key principles, which reflect the promises that were made during the referendum campaign. Where better to look for those promises than the voice of the official body that argued for Brexit—Vote Leave? On trade, the Vote Leave manifesto was clear:

“We take back the power to make our own trade deals”.

On that basis, it is clear that we must not remain part of a customs union as that would prevent us from directly negotiating and implementing trade deals. It is therefore strange that being part of a customs union seems to be Labour party policy, which goes right against the clear mandate that the people gave us.

There were other commitments in the Vote Leave manifesto, for example,

“one thing which won’t change is our ability to trade freely with Europe.”

On that basis, it is fair for businesses, and the people whose jobs rely on those businesses, to assume that nothing will change. Of course, Members have made the point that other countries manage to have just-in-time supply chains when they have a customs border, but most countries have not been part of a trading environment for 44 years in which they have not carried the burden of those complexities.

We know from Ricardo’s theory of comparative advantage that businesses have a choice to station themselves here or move jobs to other parts of the EU because extra costs will ensue if they do not: costs for customs checks and for checks on standards. I believe that staying part of a customs union is not consistent with the mandate that the people gave us, but that the White Paper, as articulated by the Prime Minister, deals with our obligation to leave the EU while also minimising the costs of comparative advantage. The House should support it.

**Mr Speaker:** Two minutes are preferable to three.

**Charlie Elphicke:** In the referendum campaign, the Home Office told my constituents that the jungle would move from Calais to Dover. The former Prime Minister said that there would be queues of lorries and gridlock on the way to Dover—a mantra that the Labour party took up. The Treasury told my constituents that they would lose their jobs and their homes to boot in a calamitous disaster.

Despite that level of fear, my constituents believed in the opportunity that lay before them. Two thirds voted to leave the EU. Why? Because they believed in the kind of opportunities and the kind of Britain that we can build. They believed in better. They believed in the future, in our sense of nationhood and independence and in the country that we could build: independent and out in the wide world. It is important to remember that, because change does not come easily; it takes political courage.

Our voters have shown more courage than far too many Members of this House, who fear change and are afraid of grasping opportunities and what the world offers. Our voters better understand the need for that courage. They can look at the figures and see that the EU has been in relative decline in the past few decades, going from 30% to just 15% of GDP. *[Interruption.]* The spokesman for Brussels, the right hon. Member for Carshalton and Wallington (Tom Brake), does not like those figures, but they are true. Our voters also know that 90% of future economic growth in the world will come from outside the EU. That is why it is so important to believe in better, back our constituents and make a success of Britain out in the world—a global Britain.

**Vicky Ford:** We are leaving the EU and that means that we need to have a new relationship with the single market and the customs union—we cannot carry on as we were before. However, leave voters were told time and again that trade would continue and that having customs clarity was important to that trade.

I want to dispel some myths. First, zero-tariff regimes are not the same as no-tariff regimes. A no-tariff regime, which we have now, means no customs declaration and no rules of origin. A zero-tariff regime means both. That is why I am glad that the White Paper says that we will have no customs declarations and no rules of origin.

On myth two, we do not need to be in a customs union to resolve the rules of origin issue. That can be done through a PEM convention. On myth three, being in a single rulebook on goods does not stop us from doing trade deals with other parts of the world—just look at Switzerland. On myth four, trading on World Trade Organisation rules means that there will have to be a goods border in Ireland, otherwise the UK will breach our agreements with other trading partners, as will the EU. On myth five, just-in-time delivery of goods coming from China, which takes four weeks at sea, is not the same as just-in-time delivery across the channel.

I support some of the amendments. New clause 37 on no hard border in the Irish sea makes sense. Amendment 72 also makes sense. However, I am concerned about amendment 73. I do not like the EU VAT regime, but we need more clarity on that. On new clause 36, I agree we need a balanced approach on tax collection, but how it is worded is very unclear. I do not understand how the

[Vicky Ford]

word “reciprocity” works in a legal framework when it is country to country versus us to EU. There needs to be a much clearer legal basis.

**Mr Speaker:** There is one minute.

**Jack Brereton** (Stoke-on-Trent South) (Con): I want to focus on trade remedies. This is particularly important for the ceramic sector in my constituency, so I am absolutely delighted that the Government have listened to the arguments I have been making over the past year and secured clarifying amendments on trade remedies that, critically, will deliver the right Brexit for the ceramic sector, for wider manufacturing industry, and, most importantly, for the workforce and the voters of Stoke-on-Trent.

The Government have tabled several critical amendments. I was very pleased last week to have an answer to a written question providing confirmation on establishing normal value. That is so important to resisting the dumping of ceramic products from China. Significant state subsidisation by China, particularly in the ceramics industry, threatens British industry, so I am pleased that the Government have listened to those arguments and, through their amendments, have taken action.

8.30 pm

**Kirsty Blackman** (Aberdeen North) (SNP): Given that there may not be a Third Reading, I will start very briefly with some thank yous. I would like to thank Scott Taylor, one of our researchers. I would also like to thank the work of the Public Bill Office, particularly that of Colin Lee and Gail Poulton, who have been absolutely excellent in their support to all of us who have been here throughout the passage of the Bill.

I want to talk about the history of the Bill and how we got to this point. We had the Committee stage earlier this year. On the Saturday morning after it finished, and almost out of the blue, the UK Government announced that they would not be entering into a customs union. They clearly did not think it through, bringing out the announcement at the most stupid time: after all the debates in Committee. It was totally ill-thought-out.

We then had the Chequers agreement on 6 July. The White Paper was published on 12 July, which Members will note was the day after the amendments were tabled to this Report stage of the Bill—we all had to table our amendments before we had actually seen the White Paper. I thank the Minister for coming to Westminster Hall to give us some level of reassurance, but pretty much all the reassurance he could give was, “Please look at the White Paper that’s coming out on Thursday.” It has, therefore, been really difficult to prepare for the Bill. It has been really difficult to write this speech, trying to game exactly what is going to happen tonight. I am still not clear.

There are too many factions in this House. We have the UK Government, the Conservative remainers, the European Research Group, the Democratic Unionist party, the Labour leavers, the Labour remainers and the Labour Front Bench. The UK Government will not support things put forward by anybody who supports remain. The Labour Front Bench will not support

anything put forward by the Conservative remainers. The members of the ERG will not support anything put forward by anybody except themselves. The Democratic Unionist party will support whatever the UK Government tell it to, on the basis that it is being paid to do so. It is a complete shambles. Trying to do anything sensible in this House is incredibly difficult, especially given that we know there is a majority for a customs union among the Members of this House. Despite that, we are going to end up in a situation where members of the ERG, who believe in the polar opposite of a customs union, are having their amendments accepted. When the rest of us put forward anything vaguely sensible, our amendments are not accepted.

This is certainly not about sovereignty for the people or sovereignty for Parliament; it is about sovereignty for a very small group of elite Tories who want to have their say. The Government are letting them have their say. I could not be more angry about the fact that the ERG’s amendments are apparently going to be accepted. I do not want to direct all my ire at those on the Government Front Bench. Those on the Labour Front Bench need to be absolutely clear on their position. They need to be clear that they will support the softest possible Brexit. If they are talking about a jobs-first Brexit, they need to recognise the benefits of the customs union and the single market. They have the opportunity to do that tonight by supporting some of the amendments that have been tabled by those who support a soft Brexit.

The Scottish National party does not support fully a number of amendments that we plan to vote for tonight. Our position is that Scotland voted to remain in the EU, so we would like to remain in the EU. Scotland supports remaining in the single market and the customs union, so the SNP will support anything that keeps us in the single market and the customs union. In the absence of those options being on the table, we will do what we can to protect the economic and cultural interests of the whole United Kingdom. Even though some of the amendments are not brilliant, we will vote for anything that makes Brexit slightly softer than the Brexit that is being proposed. I needed to make it clear that just because we support an amendment here does not mean that it is a preferred option. It means that it is not quite as bad as some of the other options.

I make it clear that I will press new clause 16, in my name and the names of my colleagues, and I would also like to speak in favour of our other amendments. The SNP position is crystal clear, as I said. The UK Government position is not. I welcome some clarity that is given in the White Paper that was published after Chequers, but I have major concerns about some of it. It mentions specifically a trusted trader scheme. On the trusted trader scheme that we have—the authorised economic operator scheme—I have raised concern after concern about it, and I am not the only one; organisations such as the British Chambers of Commerce have, too. If there is to be an expanded trusted trader scheme, it needs to actually work. It needs to be applicable to small businesses and businesses need to be able to access that scheme. We are now at the stage that businesses should know what those schemes are. If the Government are going to bring them forward, they need to do so as quickly as they possibly can so that businesses can be clear on what basis they will be trading in future. That is really important.

I am pleased to see that diagonal accumulation has been recognised in the Chequers agreement. I have been talking about it for some time, and I am really glad that it has been recognised and that we will have a situation where we will possibly still be able to export cars to South Korea, because that is really important for our car industry. I am pleased that the Government have now made it clear that they are pursuing that.

Protective geographical indicators are also mentioned in the Chequers White Paper. I am slightly concerned about the way the Government are going on this. It would be very good to have more information around that. A PGI scheme that applies only to the UK and does not recognise EU PGIs is a bit of a problem, so we need more clarity from the UK Government on how they intend the PGI scheme to work. I know that there is a negotiation, but if we could have their point of view first, that would be very useful.

I want to briefly mention some of the other meat in the Bill and something that the British Retail Consortium brought to us. It encapsulated some of the issues with the Bill very neatly. It said that there are not yet agreements on security, transit, haulage, VAT and people and that we need mutual recognition on veterinary, health and other checks with the EU. It seems that the Government are pursuing some of this, so that is good news. We need investment in IT systems to deliver the customs declaration system. Again, I am still not convinced that this will come through in time, so if the Minister could give reassurance that it will, I would very much appreciate it. We need co-ordination between agencies at ports and borders, as well as investment and capacity and staff at ports. The Government have not done enough on both those things. They have not put the extra resource into ports. They have not told ports how they will be administering these things in the future. If ports are going to have to massively increase their staff numbers, they need to know now how they will do that.

On queuing, a two-minute delay at Dover will create a 17-mile queue, so it is not as though Operation Stack will just happen as normal. This will not be Operation Stack. It will be an incredibly large version of it, and Operation Stack was bad enough. The BRC also mentioned AEOs, particularly in relation to small and medium-sized enterprises. All those things are still concerns about the Bill and I will raise them on Third Reading, if we have a Third Reading debate, because I do not believe that the Bill is fit for purpose as it is.

I specifically want to talk about the new clauses from the ERG. If the UK Government are bound to accept them, we have a very, very severe problem. I have major issues with new clauses 36 and 37 and amendments 72 and 73. New clause 36 relates to reciprocity. Page 13 of the Chequers agreement says:

“At the core of the UK’s proposal is the establishment by the UK and the EU of a free trade area for goods.”

It then goes on to make clear on page 17 that

“the UK is not proposing that the EU applies the UK’s tariffs and trade policy at its border for goods intended for the UK.”

This new clause directly contradicts that.

What is the point in having a White Paper released on a Thursday if the Government are going to ignore it on Monday? I do not understand how we can be in that position. How can businesses know where we are going if the Government do not even know where they are going?

For the Government to be accepting amendments by a group of around 14—who knows how many of them there are?—ERG members to get a hard Brexit is absolutely ridiculous. If there is going to be a Brexit, we need a Brexit that does what the Labour party suggests it should do: protects jobs. We need the Labour party to support a Brexit that protects jobs as well, not just us.

The Bill is a mess. It does not do what it set out to do, which is replicate the union customs code, and it does not now do what the Chequers agreement said it would on Friday. We need everybody in the House, from all the various factions I mentioned earlier, to get behind proposals that protect jobs and the sovereignty of the people, not just the sovereignty of an elite few.

**Peter Dowd (Bootle) (Lab):** I read the White Paper on the train home on Thursday, if only out of a sense of morbid curiosity, but following the Prime Minister’s capitulation to the Brexiteers today, that curiosity has turned to a sense of the macabre. To begin with, we had the woman in the bunker with the blacked-out windows saying we were outward facing. Are we? This from the Prime Minister who invented a hostile environment for the Windrush generation and for disabled people claiming their rightful benefits and whose Government have been on the wrong side of the law more times than Arthur Daley.

The Prime Minister went on to state that we had a dynamic and innovative economy. Do we? Our economy is 35% less productive than Germany’s; we invest less and we have the most regionally imbalanced economy in Europe. Growth is sluggish and inflation stubborn. And on it goes—it gets more surreal. She says we live by common values of openness and tolerance for others and the rule of law. Really? The only thing the Conservative party is open to and tolerant of is big fat donations from Russian oligarchs. But here is where it gets really interesting. When she speaks about sticking to our principles, one has to wonder which principles she is referring to—the ones she referred to yesterday and which are enshrined in the White Paper or those she holds this afternoon, which tear the White Paper to shreds. Perhaps the Minister can enlighten us.

The Prime Minister wanted to deliver an ambition to “once and for all” strengthen our communities, our Union, our democracy and our place in the world. I will take those claims one by one: our communities have been ripped apart by austerity; our Union is in danger from Ministers out of touch with the needs of any nation and afraid to move away from their desks in case someone else takes it; our democracy is threatened by swathes of Henry VIII powers; and our place in the world is a laughing stock due to the Prime Minister’s supine sycophancy to Donald Trump, who humiliated her.

The White Paper—what is left of it—came from the pen of a Prime Minister obsessed with silly soundbites. She used to talk about “Labour’s magic money tree” until she wanted a magic money tree of her own with which to bribe the Democratic Unionist party, when that phrase was quickly ditched. What about the infamous “strong and stable” mantra? It turned out to be more like a strong and stable smell of panic during the election and was ditched as well. Finally, it seems that this White Paper has also been ditched.

[Peter Dowd]

As for Northern Ireland, I present, the buffer zone—a 10-mile-wide area along the entire boundary between Northern Ireland and the Republic. Under the EU's trading rules, to be operational this buffer would have to be policed on both sides of the 10-mile divide. Did we really spend decades trying to get rid of divides in Northern Ireland only to resurrect them? I think not. As for the facilitated customs arrangement, we are not clear what about it constitutes a partnership, as it would effectively leave UK customs officials working to maintain a customs union that we are no longer a part of.

Regardless of who is responsible for managing the duties, it remains unclear how the FCA would be frictionless. Presumably, the final destination of goods would have to be queried as they enter the UK. This would slow down the passage of goods across our borders and prevent intricate supply chains from functioning properly. It would lead to waste, uncertainty and expense for business, to higher prices for consumers and to job losses and production moving abroad, as the right hon. Member for Broxtowe (Anna Soubry) pointed out. In that regard, the comments from the hon. Member for Gainsborough (Sir Edward Leigh) were unconscionable.

What about the UK border? Does the Minister expect checks to be in place to ensure that goods that claim the UK as their final destination are not diverted into the EU once they arrive? Presumably, we would need customs checks and controls between the EU and the UK to reconcile goods to documents when, for example, UK anti-dumping duties exceed those applicable on import. Can the Minister clarify? Can he tell us how many trusted traders—the Tories using the word “trusted”; that's a laugh, isn't it?—are currently registered with the Government's scheme and how many they believe will be registered by the end of the transition period?

Of course, all this can be avoided if the House chooses to support Labour's clear and pragmatic solution to the issues of frictionless trade within the EU and preventing a hard border in Northern Ireland. New clause 11 presents Labour's practical solution to the problems that have confounded the Conservatives. In our new clause, we call on the Government to negotiate a new customs union with the European Union, to be in place when we leave the current customs union at the end of the transition period. That is the only way to ensure that we can have frictionless trade with our largest trading partner and help to prevent a hard border between Northern Ireland and the Republic. It is what business needs and producers want, and it is what would most benefit the public.

8.45 pm

I encourage Members on both sides of the House—even the Chancellor, who is muttering away there—to support our new clause, which will ensure that the Government negotiate a settlement that puts both the British economy and the Good Friday agreement first. What we will not countenance are new clause 36 and amendment 37: we are not having those.

There is no greater evidence of the need for robust trade remedies than the current global climate. We are witnessing the familiarities and the old certainties of free trade being laid waste by a United States President who is committed to imposing protectionist tariffs on the rest of the world: a United States President who

rebuffs diplomacy daily in favour of angry tweets late at night, who favours confrontation over co-operation and who is willing to exchange open markets for the very real threat of trade wars.

This uncertain climate makes it all the more important for the Government to adopt trade remedies—more important than ever. It is no exaggeration to say that without robust trade remedies, the UK faces the spectre of whole sections of our economy being wiped out, destroyed by punitive tariffs and undercut by state-sponsored dumping. The reality is that when countries engage in trade wars or trading one protectionist tariff for another, at risk are the very jobs and industries on which communities across the country rely. As we pointed out on Second Reading and in Committee, the remedies proposed in the Bill remain pitiful, to say the least. They are far weaker than the remedies currently in place at EU level, and will leave the UK worse off than most developed trading nations.

While there is a clear case for assessing the economic impact of trade remedies on key sectors of the economy and exports, the establishment of an undefined public interest test is more worrying. As the Bill stands, the Secretary of State could argue that flooding UK markets with cheap chlorinated chicken from the United States is in the public interest, or that cheap aluminium wheels from China would lower the cost of cars and would therefore also be in the public interest. Our amendment 21 would reverse the burden of proof, strengthening the Trade Remedies Authority and forcing the Secretary of State to produce overwhelming evidence if he decides to ignore state-sponsored dumping and its trade-distorting impact.

The Government are in a state of panic, chaos and capitulation. That is why the Chancellor, at the 11th hour, has chosen to table a flurry of amendments—but it is a bit too little, too late. As for parliamentary oversight, the Bill reflects yet another encroachment on parliamentary sovereignty and parliamentary scrutiny. It seeks to rob the House of Commons of its right to scrutinise the UK's future trade and customs policy. The International Trade Secretary, not the House, would have the final say over whether the UK adopts trade remedies to protect key industries. While the Government seek to sideline the House, the Opposition's new clause 13 would empower it.

We have reached a crossroads in the Brexit negotiations. This dysfunctional and divided Government cannot continue to ignore the blindingly obvious fact that a new customs union is the only way in which to ensure frictionless trade and access to the single market. I say this to them: if they cannot get a grip, they must get out.

**Mr Speaker:** I call the Financial Secretary to the Treasury, Mel Stride, but, as I do so, I must advise the House that the right hon. Gentleman is accompanied tonight, on his 13th wedding anniversary, by his good wife Michelle and their daughters Ophelia and Evelyn. It is an unusual way to spend the evening, but we hope they are enjoying it and we look forward to hearing the right hon. Gentleman.

**The Financial Secretary to the Treasury (Mel Stride):** Mr Speaker, that is quite an introduction; thank you most graciously for your lovely comments—you will no doubt be injecting some zip into my marriage.

The Government have been clear that when we leave the EU we will leave the customs union; this is a matter of fact. And when considering the end state, the Government will not be seeking to negotiate any form of customs union. The Government proposal will create a UK-EU free trade area which establishes a common rulebook for industrial goods and agricultural products. This will maintain common high standards in these areas, but also ensure that no new changes take place in future without the approval of Parliament. As a result, we will avoid friction at the borders and protect jobs and livelihoods, as well as meet our commitment to Northern Ireland. We are proposing a new business-friendly customs model with the freedom to strike new trade deals around the world, a facilitated customs arrangement.

**Paul Farrelly** (Newcastle-under-Lyme) (Lab): I wish the right hon. Gentleman—my old friend, who was my former economics tutorial partner at university—a happy anniversary, but why are services less important than goods?

**Mel Stride:** Services are most certainly not less important than goods; they make up about 80% of the economy and we will retain greater freedoms in terms of being able to do deals around the world in that respect. But under this approach, the UK will apply its own tariffs and trade policy for goods intended for the UK and the UK's tariffs and trade policy for goods intended for the EU. This option meets the UK's strategic objectives for our future customs relationship with the EU.

**Mr Kenneth Clarke:** I congratulate my right hon. Friend on his wedding anniversary. He has mentioned the facilitated customs arrangement, which is the point of the White Paper. In describing it, the White Paper states at paragraph 17:

“However, the UK is not proposing that the EU applies the UK's tariffs and trade policy at its border for goods intended for the UK,”

and also says we are not expecting it to be replicated in Europe. New clause 36 directly contradicts that. I gather that there are legalisms that the people who advised on the White paper no doubt did not consider when we put in the reference to reciprocity. Now my right hon. Friend is going to give us legalisms as to why it does not matter if we take reciprocity. The political point of these amendments is to destroy the White Paper and the arrangements it proposes. If he accepts them, their supporters will come back for more. Why does he not vote against them and leave them in the tiny minority in the House of Commons, that they actually represent?

**Mel Stride:** I thank my right hon. and learned Friend for that intervention. I have very little time, but I will come on to his point. The main point is that one has to read paragraph 17a of the White Paper in its entirety to grasp its full meaning, rather than take one part of it.

I will now address the amendments before us today. New clause 1 and consequential amendment 2, as spoken to initially by my right hon. Friend the Member for Broxtowe (Anna Soubry), would establish a negotiating objective for the UK to maintain its participation in the EU customs union and make the commencement of parts 1 and 2 of the Bill conditional upon the outcome of those negotiations. I have already set out that the UK leaving the EU customs union is a straightforward legal consequence of leaving the EU, so the Government must reject these amendments, as well as amendment 1.

The same applies to other amendments before us today: new clauses 1, 3, 4, 11 and 12 and their various consequential amendments, as well as amendments 8, 9, 12 and 14, but that does not mean that we will not seek to enter into a business-friendly and pragmatic arrangement that maintains trade that is as frictionless as possible between the UK and the EU27 as part of our future partnership with the EU. That is because this Government fully recognise, as was set out so eloquently by my right hon. Friend the Member for Broxtowe, the vital importance of the EU as a trading partner that in turn supports the economy and jobs and prosperity throughout the UK.

Let me now turn to new clause 36, tabled by my right hon. Friend the Member for Witham (Priti Patel), which would prevent the implementation of a new arrangement that would see HMRC accounting for duty collected by HMRC to the Government of another territory or country unless the arrangement was reciprocal. The Government have been clear in the White Paper that under their proposed facilitated customs arrangement, the UK and the EU would agree a mechanism for the remittance of relevant tariff revenue. The UK proposes a reciprocal tariff revenue formula taking account of goods destined for the UK entering via the EU and of goods destined for the EU entering via the UK. The White Paper itself states:

“The UK and the EU should agree a mechanism for the remittance of relevant tariff revenue. On the basis that this is likely to be the most robust approach, the UK proposes a tariff revenue formula, taking account of goods destined for the UK entering via the EU and goods destined for the EU entering via the UK.”

New clause 36 is consistent with the Chequers proposal and the White Paper, so the Government are content to accept it—

**Amber Rudd** (Hastings and Rye) (Con): Will the Minister give way?

**Mel Stride:** I will not give way, no. [HON. MEMBERS: “Give way!”] I have a lot to cover, and I will not give way.

Amendment 72, tabled by my hon. Friend the Member for Harwich and North Essex (Sir Bernard Jenkin), seeks to ensure that clause 31 cannot be used to form a customs union between the UK and the EU without primary legislation. As I have set out, the Government have been clear that as we leave the European Union, we will also leave the EU's customs union, so the Government have no objection to this enhanced level of parliamentary security—[*Interruption.*] I have four minutes remaining, but I will take one intervention if it is brief.

**Amber Rudd:** My right hon. Friend will be aware that there is some concern on this side of the House regarding new clause 36. He has set out why he is prepared to accept it, but will he reaffirm for those of us on both sides of the House who have those concerns that this will not impact on the negotiating strategy of the UK Government?

**Mel Stride:** The negotiating strategy of the UK Government is to seek reciprocity in this respect, and that is set out very clearly in the White Paper. Importantly, amendment 72 does not interfere with the Government's purpose. We have no objection to the principle behind the amendment and we therefore accept it.

[Mel Stride]

Amendment 73, tabled by my hon. Friend the Member for South Thanet (Craig Mackinlay), will remove a specific power that will enable HMRC to make regulations covering the application of VAT to goods in circumstances where we reach a customs union agreement with other customs unions or territories under clause 31. The Chequers agreement does not propose such an arrangement with the European Union as part of the future economic partnership, so the Government accept this amendment.

The effect of new clause 37, tabled by my hon. Friend the Member for Tewkesbury (Mr Robertson), would be to ensure that Northern Ireland would not form part of a separate customs territory from Great Britain. This new clause is a straightforward statement of Government policy. It ensures that the Government will not act in a manner incompatible with the commitments made in the joint report of December last year, when we committed to protecting the constitutional integrity of the United Kingdom, as well as to turning the joint report commitments into legally binding form. The Government also accept this new clause.

I shall turn now to our future VAT arrangements with the EU. New clause 2 seeks to establish a negotiating objective to maintain the UK's participation in the EU VAT area. This would limit our ability to appropriately consider our future VAT policy, and for that reason we reject it. The Government are also making an amendment to a schedule to the Finance Act 2008. Amendment 83 is consequential on the new customs framework provided for in the Bill and is necessary to ensure certain excise penalties remain in place on EU exit.

I now wish to turn briefly to the powers in the Bill. It is critical that we have these powers to allow us to respond flexibly, but we accept that in some cases it may be considered proportionate to apply the made affirmative procedure, and I am grateful for the discussion that I have had with my hon. Friend the Member for Eddisbury (Antoinette Sandbach) in this regard. It is on this basis that the Government have brought forward amendments 75, 76, 79, 81 and 23, which apply the made affirmative procedure to the powers under clauses 30, 42 and 47—the powers to make general provision in relation to import duty and to deal with retained EU VAT and excise law.

Clause 25 permits disclosures for customs duty purposes and makes it clear that disclosures that would contravene the Data Protection Act 1998 are not permitted. We accept the Scottish National party's amendments 33 and 34, which seek clarity in that regard.

Finally, we have had a full, robust and comprehensive debate today, as is entirely appropriate for a Bill of such importance. It is important for our ability to continue as one of the world's great trading nations after our departure from the EU and to accommodate our future customs arrangement within our future economic partnership with the EU.

**Mr Speaker:** For one sentence, I call Anna Soubry.

**Anna Soubry:** New clause 36 and amendment 73 are designed not to help the White Paper, but to wreck it. I am going to try to help the White Paper, which is why I seek leave to withdraw new clause 1.

*Clause, by leave, withdrawn.*

9 pm

*Proceedings interrupted (Programme Order, 8 January).*

*The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).*

### New Clause 11

#### PREPAREDNESS FOR A CUSTOMS UNION WITH THE EUROPEAN UNION

“(1) It shall be one of the negotiating objectives of Her Majesty's Government in negotiations on the matters specified in subsection (2) to create an agreement which allows the United Kingdom to secure tariff free access to the European Union including the potential to participate in a customs union with the European Union, following exit from the European Union.

(2) Those matters are—

- (a) the United Kingdom's withdrawal from the European Union, and
- (b) a permanent agreement with the European Union for a period subsequent to the transitional period after the United Kingdom's withdrawal from the European Union.

(3) It shall be the duty of the Secretary of State to lay a report before the House of Commons on the outcome of negotiations on each of the matters specified in subsection (2) in relation to the objective in subsection (1).

(4) A report under this section in relation to the matter specified in subsection (1)(a) shall include an account of—

- (a) the extent to which the negotiating objective has been met,
- (b) proposals for the commencement of provisions of Parts 1 and 2, and
- (c) proposals for the modification of this Act in the exercise of powers under sections 31 or 54, or otherwise, in consequence of an agreement with the European Union.

(5) The provisions specified in section 55(1) come into force on the day after the day on which a report under subsection (4) is laid before the House of Commons.

(6) A report under this section in relation to the matter specified in subsection (1)(b) shall include an account of—

- (a) the extent to which the negotiating objective has been met, and
- (b) proposals for the modification of this Act in the exercise of powers under sections 31 or 54, or otherwise, in consequence of an agreement with the European Union.”—(*Peter Dowd.*)

*This new clause establishes a negotiating objective to secure an agreement which allows the United Kingdom to have tariff free access to the European Union including the potential to participate in a customs union with the European Union, following exit from the European Union, and makes associated provision about reporting and implementation and modification of the Bill as enacted.*

*Brought up.*

*Question put, That the clause be added to the Bill.*

*The House divided: Ayes 289, Noes 316.*

**Division No. 208]**

**[9.1 pm**

#### AYES

Abbott, rh Ms Diane	Ashworth, Jonathan
Ali, Rushanara	Austin, Ian
Allin-Khan, Dr Rosena	Bailey, Mr Adrian
Amesbury, Mike	Bardell, Hannah
Antoniazzi, Tonia	Barron, rh Sir Kevin

Beckett, rh Margaret	Edwards, Jonathan	Kinnock, Stephen	Rayner, Angela
Benn, rh Hilary	Efford, Clive	Kyle, Peter	Reed, Mr Steve
Berger, Luciana	Elliott, Julie	Laird, Lesley	Rees, Christina
Betts, Mr Clive	Ellman, Dame Louise	Lake, Ben	Reeves, Ellie
Black, Mhairi	Elmore, Chris	Lamb, rh Norman	Reeves, Rachel
Blackford, rh Ian	Esterson, Bill	Lammy, rh Mr David	Reynolds, Emma
Blackman, Kirsty	Evans, Chris	Lavery, Ian	Reynolds, Jonathan
Blackman-Woods, Dr Roberta	Farrelly, Paul	Law, Chris	Rimmer, Ms Marie
Blomfield, Paul	Fellows, Marion	Lee, Karen	Robinson, Mr Geoffrey
Brabin, Tracy	Fitzpatrick, Jim	Leslie, Mr Chris	Rodda, Matt
Bradshaw, rh Mr Ben	Flint, rh Caroline	Lewell-Buck, Mrs Emma	Rowley, Danielle
Brake, rh Tom	Frith, James	Lewis, Clive	Ruane, Chris
Brennan, Kevin	Furniss, Gill	Lewis, Mr Ivan	Russell-Moyle, Lloyd
Brock, Deidre	Gaffney, Hugh	Linden, David	Ryan, rh Joan
Brown, Alan	Gapes, Mike	Lloyd, Stephen	Saville Roberts, Liz
Brown, Lyn	Gardiner, Barry	Lloyd, Tony	Shah, Naz
Brown, rh Mr Nicholas	George, Ruth	Long Bailey, Rebecca	Sharma, Mr Virendra
Bryant, Chris	Gethins, Stephen	Lucas, Caroline	Sheerman, Mr Barry
Burden, Richard	Gibson, Patricia	Lynch, Holly	Sheppard, Tommy
Burgon, Richard	Gill, Preet Kaur	Madders, Justin	Sherriff, Paula
Butler, Dawn	Glindon, Mary	Mahmood, Mr Khalid	Shuker, Mr Gavin
Byrne, rh Liam	Godsiff, Mr Roger	Mahmood, Shabana	Siddiq, Tulip
Cadbury, Ruth	Goodman, Helen	Malhotra, Seema	Skinner, Mr Dennis
Cameron, Dr Lisa	Grady, Patrick	Mann, John	Slaughter, Andy
Campbell, rh Mr Alan	Grant, Peter	Marsden, Gordon	Smeeth, Ruth
Campbell, Mr Ronnie	Gray, Neil	Martin, Sandy	Smith, Angela
Carden, Dan	Green, Kate	Maskell, Rachael	Smith, Eleanor
Carmichael, rh Mr Alistair	Greenwood, Lilian	Matheson, Christian	Smith, Jeff
Champion, Sarah	Greenwood, Margaret	Mc Nally, John	Smith, Laura
Chapman, Douglas	Griffith, Nia	McCarthy, Kerry	Smith, Nick
Chapman, Jenny	Grogan, John	McDonagh, Siobhain	Smith, Owen
Charalambous, Bambos	Gwynne, Andrew	McDonald, Andy	Smyth, Karin
Cherry, Joanna	Haigh, Louise	McDonald, Stewart Malcolm	Snell, Gareth
Clwyd, rh Ann	Hamilton, Fabian	McDonald, Stuart C.	Sobel, Alex
Coaker, Vernon	Hanson, rh David	McDonnell, rh John	Spellar, rh John
Coffey, Ann	Hardy, Emma	McFadden, rh Mr Pat	Starmer, rh Keir
Cooper, Julie	Harman, rh Ms Harriet	McGinn, Conor	Stephens, Chris
Cooper, Rosie	Harris, Carolyn	McGovern, Alison	Stevens, Jo
Cooper, rh Yvette	Hayes, Helen	McInnes, Liz	Stone, Jamie
Corbyn, rh Jeremy	Hayman, Sue	McKinnell, Catherine	Streeting, Wes
Cowan, Ronnie	Healey, rh John	McMahon, Jim	Sweeney, Mr Paul
Coyle, Neil	Hendrick, Sir Mark	McMorris, Anna	Tami, Mark
Crausby, Sir David	Hendry, Drew	Mearns, Ian	Thewliss, Alison
Crawley, Angela	Hepburn, Mr Stephen	Miliband, rh Edward	Thomas, Gareth
Creagh, Mary	Hermon, Lady	Monaghan, Carol	Thomas-Symonds, Nick
Creasy, Stella	Hill, Mike	Moon, Mrs Madeleine	Thornberry, rh Emily
Cruddas, Jon	Hillier, Meg	Moran, Layla	Timms, rh Stephen
Cryer, John	Hobhouse, Wera	Morden, Jessica	Trickett, Jon
Cummins, Judith	Hodge, rh Dame Margaret	Morgan, Stephen	Turley, Anna
Cunningham, Alex	Hodgson, Mrs Sharon	Morris, Grahame	Turner, Karl
Cunningham, Mr Jim	Hollern, Kate	Murray, Ian	Twigg, Stephen
Daby, Janet	Hopkins, Kelvin	Nandy, Lisa	Twist, Liz
Dakin, Nic	Hosie, Stewart	Newlands, Gavin	Umunna, Chuka
Davey, rh Sir Edward	Howarth, rh Mr George	Norris, Alex	Vaz, Valerie
David, Wayne	Huq, Dr Rupa	O'Hara, Brendan	Walker, Thelma
Davies, Geraint	Hussain, Imran	Onasanya, Fiona	West, Catherine
Day, Martyn	Jardine, Christine	Onn, Melanie	Western, Matt
De Cordova, Marsha	Jarvis, Dan	Onwurah, Chi	Whitehead, Dr Alan
De Piero, Gloria	Johnson, Diana	Osamor, Kate	Whitfield, Martin
Dent Coad, Emma	Jones, Darren	Owen, Albert	Whitford, Dr Philippa
Dhesi, Mr Tanmanjeet Singh	Jones, Gerald	Peacock, Stephanie	Williams, Hywel
Dodds, Anneliese	Jones, Graham P.	Pearce, Teresa	Williams, Dr Paul
Doughty, Stephen	Jones, Helen	Pennycook, Matthew	Williamson, Chris
Dowd, Peter	Jones, rh Mr Kevan	Perkins, Toby	Wilson, Phil
Drew, Dr David	Jones, Sarah	Phillips, Jess	Wishart, Pete
Dromey, Jack	Jones, Susan Elan	Phillipson, Bridget	Yasin, Mohammad
Duffield, Rosie	Kane, Mike	Platt, Jo	Zeichner, Daniel
Eagle, Ms Angela	Keeley, Barbara	Pollard, Luke	
Eagle, Maria	Kendall, Liz	Pound, Stephen	
	Khan, Afzal	Powell, Lucy	
	Killen, Ged	Qureshi, Yasmin	
		Rashid, Faisal	

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Thangam Debonnaire**

## NOES

Adams, Nigel	Dorries, Ms Nadine	Hollinrake, Kevin	Murray, Mrs Sheryll
Afolami, Bim	Double, Steve	Hollobone, Mr Philip	Murrison, Dr Andrew
Afriyie, Adam	Dowden, Oliver	Holloway, Adam	Neill, Robert
Aldous, Peter	Dowden, Oliver	Howell, John	Newton, Sarah
Allan, Lucy	Doyle-Price, Jackie	Huddleston, Nigel	Nokes, rh Caroline
Allen, Heidi	Drax, Richard	Hughes, Eddie	Norman, Jesse
Amess, Sir David	Duddridge, James	Hunt, rh Mr Jeremy	O'Brien, Neil
Andrew, Stuart	Duguid, David	Hurd, rh Mr Nick	Offord, Dr Matthew
Argar, Edward	Duncan, rh Sir Alan	Jack, Mr Alister	Opperman, Guy
Atkins, Victoria	Duncan Smith, rh Mr Iain	Javid, rh Sajid	Paisley, Ian
Bacon, Mr Richard	Dunne, Mr Philip	Jayawardena, Mr Ranil	Parish, Neil
Badenoch, Mrs Kemi	Ellis, Michael	Jenkin, Sir Bernard	Patel, rh Priti
Baker, Mr Steve	Ellwood, rh Mr Tobias	Jenkyns, Andrea	Paterson, rh Mr Owen
Baldwin, Harriett	Elphicke, Charlie	Jenrick, Robert	Pawsey, Mark
Barclay, Stephen	Eustice, George	Johnson, rh Boris	Penning, rh Sir Mike
Baron, Mr John	Evans, Mr Nigel	Johnson, Dr Caroline	Penrose, John
Bebb, Guto	Evennett, rh Sir David	Johnson, Gareth	Percy, Andrew
Bellingham, Sir Henry	Fabricant, Michael	Johnson, Joseph	Perry, rh Claire
Benyon, rh Richard	Fallon, rh Sir Michael	Jones, Andrew	Philp, Chris
Beresford, Sir Paul	Field, rh Mark	Jones, rh Mr David	Pincher, Christopher
Berry, Jake	Ford, Vicky	Jones, Mr Marcus	Poulter, Dr Dan
Blackman, Bob	Foster, Kevin	Kawczynski, Daniel	Pow, Rebecca
Blunt, Crispin	Fox, rh Dr Liam	Keegan, Gillian	Prentis, Victoria
Boles, Nick	Francois, rh Mr Mark	Kennedy, Seema	Prisk, Mr Mark
Bone, Mr Peter	Frazer, Lucy	Kerr, Stephen	Pritchard, Mark
Bottomley, Sir Peter	Freeman, George	Knight, rh Sir Greg	Purglove, Tom
Bowie, Andrew	Fysh, Mr Marcus	Knight, Julian	Quin, Jeremy
Bradley, Ben	Gale, Sir Roger	Kwarteng, Kwasi	Quince, Will
Bradley, rh Karen	Garnier, Mark	Lamont, John	Raab, rh Dominic
Brady, Sir Graham	Gauke, rh Mr David	Lancaster, rh Mark	Redwood, rh John
Braverman, Suella	Ghani, Ms Nusrat	Latham, Mrs Pauline	Rees-Mogg, Mr Jacob
Brereton, Jack	Gibb, rh Nick	Leadsom, rh Andrea	Robertson, Mr Laurence
Bridgen, Andrew	Gillan, rh Dame Cheryl	Lee, Dr Phillip	Robinson, Gavin
Brine, Steve	Girvan, Paul	Lefroy, Jeremy	Robinson, Mary
Bruce, Fiona	Glen, John	Leigh, Sir Edward	Rosindell, Andrew
Buckland, Robert	Goldsmith, Zac	Letwin, rh Sir Oliver	Ross, Douglas
Burghart, Alex	Goodwill, rh Mr Robert	Lewer, Andrew	Rowley, Lee
Burns, Conor	Gove, rh Michael	Lewis, rh Brandon	Rudd, rh Amber
Burt, rh Alistair	Graham, Luke	Lewis, rh Dr Julian	Rutley, David
Cairns, rh Alun	Graham, Richard	Liddell-Grainger, Mr Ian	Sandbach, Antoinette
Campbell, Mr Gregory	Grant, Bill	Lidington, rh Mr David	Scully, Paul
Cartlidge, James	Grant, Mrs Helen	Little Pengelly, Emma	Seely, Mr Bob
Cash, Sir William	Gray, James	Lopez, Julia	Selous, Andrew
Caulfield, Maria	Grayling, rh Chris	Lopresti, Jack	Shannon, Jim
Chalk, Alex	Green, Chris	Lord, Mr Jonathan	Shapps, rh Grant
Chishti, Rehman	Green, rh Damian	Loughton, Tim	Sharma, Alok
Chope, Sir Christopher	Greening, rh Justine	Mackinlay, Craig	Shelbrooke, Alec
Churchill, Jo	Grieve, rh Mr Dominic	Maclean, Rachel	Simpson, David
Clark, Colin	Griffiths, Andrew	Mak, Alan	Simpson, rh Mr Keith
Clark, rh Greg	Gyimah, Mr Sam	Malthouse, Kit	Skidmore, Chris
Clarke, Mr Simon	Hair, Kirstene	Mann, Scott	Smith, Chloe
Cleverly, James	Halfon, rh Robert	Masterton, Paul	Smith, Henry
Clifton-Brown, Sir Geoffrey	Hall, Luke	May, rh Mrs Theresa	Smith, rh Julian
Coffey, Dr Thérèse	Hammond, rh Mr Philip	Maynard, Paul	Smith, Royston
Costa, Alberto	Hammond, Stephen	McLoughlin, rh Sir Patrick	Soames, rh Sir Nicholas
Courts, Robert	Hancock, rh Matt	McPartland, Stephen	Soubry, rh Anna
Cox, rh Mr Geoffrey	Hands, rh Greg	McVey, rh Ms Esther	Spelman, rh Dame Caroline
Crabb, rh Stephen	Harper, rh Mr Mark	Menzies, Mark	Spencer, Mark
Crouch, Tracey	Harrington, Richard	Mercer, Johnny	Stevenson, John
Davies, Chris	Harris, Rebecca	Merriman, Huw	Stewart, Bob
Davies, David T. C.	Harrison, Trudy	Metcalfe, Stephen	Stewart, Iain
Davies, Glyn	Hart, Simon	Miller, rh Mrs Maria	Stewart, Rory
Davies, Mims	Hayes, rh Mr John	Milling, Amanda	Streeter, Mr Gary
Davies, Philip	Heald, rh Sir Oliver	Mills, Nigel	Stride, rh Mel
Davis, rh Mr David	Heapey, James	Mitchell, rh Mr Andrew	Stuart, Graham
Dinenage, Caroline	Heaton-Harris, Chris	Moore, Damien	Sturdy, Julian
Djanogly, Mr Jonathan	Heaton-Jones, Peter	Mordaunt, rh Penny	Sunak, Rishi
Docherty, Leo	Henderson, Gordon	Morgan, rh Nicky	Swayne, rh Sir Desmond
Dodds, rh Nigel	Herbert, rh Nick	Morris, Anne Marie	Syms, Sir Robert
Donaldson, rh Sir Jeffrey M.	Hinds, rh Damian	Morris, David	Thomas, Derek
Donelan, Michelle	Hoare, Simon	Morris, James	Thomson, Ross
	Hollingbery, George	Mundell, rh David	Throup, Maggie

Tolhurst, Kelly	Watling, Giles
Tomlinson, Justin	Whately, Helen
Tomlinson, Michael	Wheeler, Mrs Heather
Tracey, Craig	Whittaker, Craig
Tredinnick, David	Whittingdale, rh Mr John
Trevelyan, Mrs Anne-Marie	Wiggin, Bill
Truss, rh Elizabeth	Williamson, rh Gavin
Tugendhat, Tom	Wilson, rh Sammy
Vaizey, rh Mr Edward	Wollaston, Dr Sarah
Vara, Mr Shailesh	Wood, Mike
Vickers, Martin	Wragg, Mr William
Villiers, rh Theresa	Wright, rh Jeremy
Walker, Mr Charles	Zahawi, Nadhim
Walker, Mr Robin	
Wallace, rh Mr Ben	<b>Tellers for the Noes:</b>
Warburton, David	<b>Wendy Morton and</b>
Warman, Matt	<b>Mike Freer</b>

*Question accordingly negatived.*

### New Clause 13

#### ENHANCED PARLIAMENTARY PROCEDURE

“(1) No regulations to which this section applies may be made except in accordance with the steps set out in this section.

(2) This section applies to—

- (a) the first regulations to be made under—
  - (i) section 8 (the customs tariff);
  - (ii) section 9 (preferential rates under arrangements) in respect of any country or territory outside the United Kingdom; and
  - (iii) section 39 (charge to export duty);
- (b) any other regulations to be made under section 8 the effect of which is an increase in the amount of import duty payable under the customs tariff in a standard case (within the meaning of that section);
- (c) any other regulations under section 9 the effect of which is an increase in the amount of import duty applicable to any goods set by any regulations to which paragraph (a)(ii) applies;
- (d) any other regulations under section 39 the effect of which is an increase in the amount of export duty payable;
- (e) any regulations under—
  - (i) section 10(1) (preferential rates given unilaterally);
  - (ii) section 11(1) (quotes);
  - (iii) section 13(5) (dumping of goods, foreign subsidies and increases in imports);
  - (iv) section 14(1) (increases in imports or changes in price of agricultural goods); and
  - (v) section 15(1) (international disputes).

(3) The first step is that a Minister of the Crown must lay before the House of Commons—

- (a) a draft of the regulations that it is proposed be made;
- (b) in respect of regulations to be made under section 9 to which this section applies, a statement of the terms of the arrangements made with the government of the country or territory outside the United Kingdom;
- (c) in respect of regulations to be made under section 10(1), a statement on the matters specified in subsection (4);
- (d) in respect of regulations to be made under section 11(1), a statement on the matters specified in subsection (5);
- (e) in respect of regulations to be made under section 14(1), a statement of the reasons for proposing to make the regulations;
- (f) in respect of draft regulations to be under section 15(1)—
  - (i) a statement of the dispute or other issue that has arisen; and

(ii) an account of the reasons why the Secretary of State considers that the condition in section 15(1)(b) has been met.

(4) The matters referred to in subsection (3)(c) are—

- (a) the proposed application and non-application of the scheme to each country listed in Parts 2 and 3 of Schedule 3;
- (b) any proposed conditions for the application of the lower rates or nil rate; and
- (c) any proposed provisions about the variation, suspension and withdrawal of the application of the lower rates or nil rate.

(5) The matters referred to in subsection (3)(d) are—

- (a) in respect of any case where the condition in section 11(2)(a) is met, a statement of the terms of the arrangements made with the government of the country or territory outside the United Kingdom; and
- (b) in respect of any case where the condition in section 11(2)(b) is met, a statement of the reasons why the Treasury consider it is appropriate for the goods concerned to be subject to a quota.

(6) The second step is that a Minister of the Crown must make a motion for a resolution in the House of Commons setting out, in respect of proposed regulations of which a draft has been laid in accordance with subsection (3)—

- (a) in respect of draft regulations to be made under section 8 to which this section applies—
  - (i) the rate of import duty applicable to goods falling within a code given in regulations previously made under section 8 or in the draft of the regulations laid in accordance with subsection (3);
  - (ii) anything of a kind mentioned in section 8(3)(a) or (b) by reference to which the amount of any import duty applicable to any goods is proposed to be determined; and
  - (iii) the meaning of any relevant expression used in the motion.
- (b) in respect of draft regulations to be made under section 9 to which this section applies, the rate of import duty applicable to goods, or any description of goods, originating from the country or territory.
- (c) in respect of draft regulations to be made under section 11(1)—
  - (i) the amount of import duty proposed to be applicable to any goods that are or are proposed to be subject to a quota; and
  - (ii) the factors by reference to which a quota is to be determined.
- (d) in respect of draft regulations to be made under section 10(1)—
  - (i) each country to which the proposed regulations apply;
  - (ii) the proposed conditions for the application of the lower rates or nil rate, and
  - (iii) the proposed provisions about the variation, suspension and withdrawal of the application of the lower rates or nil rate.
- (e) in respect of draft regulations to be under section 13(5), the amount of import duty proposed to be applicable to any goods that are or are proposed to be subject to a quota.
- (f) in respect of draft regulations to be made under section 14(1)—
  - (i) the proposed additional amount of import duty;
  - (ii) the proposed period for the purposes of section 14(1)(a); and
  - (iii) the proposed trigger price for the purposes of section 14(1)(b).
- (g) in respect of draft regulations to be made under section 15(1), the proposed variation of import duty.
- (h) in respect of draft regulations to be made under section 39 to which this section applies—



Pound, Stephen  
Powell, Lucy  
Qureshi, Yasmin  
Rashid, Faisal  
Rayner, Angela  
Reed, Mr Steve  
Rees, Christina  
Reeves, Ellie  
Reeves, Rachel  
Reynolds, Emma  
Reynolds, Jonathan  
Rimmer, Ms Marie  
Robinson, Mr Geoffrey  
Rodda, Matt  
Rowley, Danielle  
Ruane, Chris  
Russell-Moyle, Lloyd  
Ryan, rh Joan  
Saville Roberts, Liz  
Shah, Naz  
Sharma, Mr Virendra  
Sheerman, Mr Barry  
Sheppard, Tommy  
Sherriff, Paula  
Shuker, Mr Gavin  
Siddiq, Tulip  
Skinner, Mr Dennis  
Slaughter, Andy  
Smeeth, Ruth  
Smith, Angela  
Smith, Eleanor  
Smith, Jeff  
Smith, Laura  
Smith, Nick  
Smith, Owen  
Smyth, Karin  
Snell, Gareth

Sobel, Alex  
Spellar, rh John  
Starmar, rh Keir  
Stephens, Chris  
Stevens, Jo  
Stone, Jamie  
Streeting, Wes  
Sweeney, Mr Paul  
Tami, Mark  
Thewliss, Alison  
Thomas, Gareth  
Thomas-Symonds, Nick  
Thornberry, rh Emily  
Timms, rh Stephen  
Trickett, Jon  
Turley, Anna  
Turner, Karl  
Twigg, Stephen  
Twist, Liz  
Umunna, Chuka  
Vaz, Valerie  
Walker, Thelma  
West, Catherine  
Western, Matt  
Whitehead, Dr Alan  
Whitfield, Martin  
Whitford, Dr Philippa  
Williams, Hywel  
Williams, Dr Paul  
Williamson, Chris  
Wilson, Phil  
Wishart, Pete  
Yasin, Mohammad  
Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

#### NOES

Adams, Nigel  
Afolami, Bim  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Allen, Heidi  
Amess, Sir David  
Andrew, Stuart  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Badenoch, Mrs Kemi  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Bebb, Guto  
Bellingham, Sir Henry  
Benyon, rh Richard  
Beresford, Sir Paul  
Berry, Jake  
Blackman, Bob  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Bottomley, Sir Peter  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Braverman, Suella  
Brereton, Jack

Bridgen, Andrew  
Brine, Steve  
Bruce, Fiona  
Buckland, Robert  
Burghart, Alex  
Burns, Conor  
Burt, rh Alistair  
Cairns, rh Alun  
Campbell, Mr Gregory  
Cartledge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishty, Rehman  
Chope, Sir Christopher  
Churchill, Jo  
Clark, Colin  
Clark, rh Greg  
Clarke, rh Mr Kenneth  
Clarke, Mr Simon  
Cleverly, James  
Clifton-Brown, Sir Geoffrey  
Coffey, Dr Thérèse  
Costa, Alberto  
Courts, Robert  
Cox, rh Mr Geoffrey  
Crabb, rh Stephen  
Crouch, Tracey  
Davies, Chris  
Davies, David T. C.  
Davies, Glyn  
Davies, Mims

Davies, Philip  
Davis, rh Mr David  
Dinenage, Caroline  
Djanogly, Mr Jonathan  
Docherty, Leo  
Dodds, rh Nigel  
Donaldson, rh Sir Jeffrey M.  
Donelan, Michelle  
Dorries, Ms Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Duddridge, James  
Duguid, David  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellwood, rh Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Mr Nigel  
Evennett, rh Sir David  
Fabricant, Michael  
Fallon, rh Sir Michael  
Field, rh Mark  
Ford, Vicky  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freeman, George  
Fysh, Mr Marcus  
Gale, Sir Roger  
Garnier, Mark  
Gauke, rh Mr David  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gillan, rh Dame Cheryl  
Girvan, Paul  
Glen, John  
Goldsmith, Zac  
Goodwill, rh Mr Robert  
Gove, rh Michael  
Graham, Luke  
Graham, Richard  
Grant, Bill  
Grant, Mrs Helen  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Grieve, rh Mr Dominic  
Griffiths, Andrew  
Gyimah, Mr Sam  
Hair, Kirstene  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip  
Hammond, Stephen  
Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Harrison, Trudy  
Hart, Simon  
Hayes, rh Mr John  
Heald, rh Sir Oliver  
Heapey, James

Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, rh Damian  
Hoare, Simon  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Howell, John  
Huddleston, Nigel  
Hughes, Eddie  
Hunt, rh Mr Jeremy  
Hurd, rh Mr Nick  
Jack, Mr Alistair  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, rh Boris  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Keegan, Gillian  
Kennedy, Seema  
Kerr, Stephen  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lamont, John  
Lancaster, rh Mark  
Latham, Mrs Pauline  
Leadsom, rh Andrea  
Lee, Dr Phillip  
Lefroy, Jeremy  
Leigh, Sir Edward  
Letwin, rh Sir Oliver  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Little Pengelly, Emma  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Maclean, Rachel  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
Masterton, Paul  
May, rh Mrs Theresa  
Maynard, Paul  
McLoughlin, rh Sir Patrick  
McPartland, Stephen  
McVey, rh Ms Esther  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalf, Stephen  
Miller, rh Mrs Maria  
Milling, Amanda  
Mills, Nigel  
Mitchell, rh Mr Andrew

Moore, Damien  
 Mordaunt, rh Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, rh Caroline  
 Norman, Jesse  
 O'Brien, Neil  
 Offord, Dr Matthew  
 Opperman, Guy  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, rh Claire  
 Philp, Chris  
 Pincher, Christopher  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, rh Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Ross, Douglas  
 Rowley, Lee  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Seely, Mr Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, David  
 Simpson, rh Mr Keith

Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, rh Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Wiggin, Bill  
 Williamson, rh Gavin  
 Wilson, rh Sammy  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Wendy Morton and**  
**Mike Freer**

*Question accordingly negatived.*

### **New Clause 16**

#### **ADDITIONAL REGULATIONS REQUIRING THE CONSENT OF THE SCOTTISH PARLIAMENT**

(1) No regulations to which this section applies may be made unless a draft has been given consent by the Scottish Parliament.

(2) This section applies to regulations under—

- (a) section 10(4)(a) (meaning of “arms and ammunition”);
- (b) section 12 (tariff suspension);
- (c) section 19 (reliefs);
- (d) section 22 (authorized economic operators);

- (e) section 30 (general provision for the purposes of import duty);
- (f) section 42 (EU law relating to VAT);
- (g) paragraph 2(1) of Schedule 3 (power to add or remove countries from lists in that Schedule);
- (h) paragraph 1(3) of Schedule 4 (definitions and determinations in relation to goods being “dumped”);
- (i) paragraph 5 of Schedule 4 (determination of certain matters relating to “injury” to a UK industry);
- (j) paragraph 26(1) of Schedule 4 (provision for suspension of anti-dumping or anti-subsidy remedies);
- (k) paragraph 1(2)(c) of Schedule 5 (defining a “significant” increase);
- (l) paragraph 2 of Schedule 5 (definitions relating to “serious injury” to a UK industry);
- (m) paragraph 22(1) of Schedule 5 (provision for suspension of safeguarding remedies) and regulations making provision on the matters in section 11(3)(c).
- (n) section 14 (Increases in imports or changes in price of agricultural goods).” —(*Kirsty Blackman.*)

*This new clause would require Scottish Parliament consent to implement a number of powers in the Bill.*

*Brought up.*

*Question put, That the clause be added to the Bill.*

*The House proceeded to a Division.*

**Mr Speaker:** Order. I am sure that this matter is of the greatest possible interest to the right hon. Member for North Norfolk (Norman Lamb). He is engaged in an animated conversation with his right hon. Friend the Member for Carshalton and Wallington (Tom Brake), but I feel sure that they are intensely interested in new clause 16 and the conduct of the democratic process relating thereto. Suitable interest is now demonstrated. Tellers for the Ayes are Mr David Linden and Mrs Marian Fellows. Tellers for the Noes are Wendy Morton and Mike Freer. Now those right hon. Members will be delighted to know that they can go back to talking to and listening, with rapt attention, to each other.

*The House having divided: Ayes 36, Noes 316.*

**Division No. 210]**

**[9.29 pm**

#### **AYES**

Bardell, Hannah  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Brock, Deidre  
 Brown, Alan  
 Cameron, Dr Lisa  
 Chapman, Douglas  
 Cherry, Joanna  
 Cowan, Ronnie  
 Crawley, Angela  
 Day, Martyn  
 Edwards, Jonathan  
 Gethins, Stephen  
 Gibson, Patricia  
 Grady, Patrick  
 Grant, Peter  
 Gray, Neil  
 Hendry, Drew  
 Hosie, Stewart

Lake, Ben  
 Law, Chris  
 Lucas, Caroline  
 Mc Nally, John  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 Monaghan, Carol  
 Newlands, Gavin  
 O'Hara, Brendan  
 Saville Roberts, Liz  
 Sheppard, Tommy  
 Stephens, Chris  
 Thewliss, Alison  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Wishart, Pete

**Tellers for the Ayes:**

**David Linden and**  
**Marion Fellows**

## NOES

Adams, Nigel  
 Afolami, Bim  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Badenoch, Mrs Kemi  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Baron, Mr John  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, Jake  
 Blackman, Bob  
 Blunt, Crispin  
 Boles, Nick  
 Bone, Mr Peter  
 Bottomley, Sir Peter  
 Bowie, Andrew  
 Bradley, Ben  
 Bradley, rh Karen  
 Brady, Sir Graham  
 Braverman, Suella  
 Brereton, Jack  
 Bridgen, Andrew  
 Brine, Steve  
 Bruce, Fiona  
 Buckland, Robert  
 Burghart, Alex  
 Burns, Conor  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Campbell, Mr Gregory  
 Cartlidge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Sir Christopher  
 Churchill, Jo  
 Clark, Colin  
 Clark, rh Greg  
 Clarke, rh Mr Kenneth  
 Clarke, Mr Simon  
 Cleverly, James  
 Clifton-Brown, Sir Geoffrey  
 Coffey, Dr Thérèse  
 Costa, Alberto  
 Courts, Robert  
 Cox, rh Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Mims  
 Davies, Philip  
 Davis, rh Mr David  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Docherty, Leo  
 Dodds, rh Nigel  
 Donaldson, rh Sir Jeffrey M.

Donelan, Michelle  
 Dorries, Ms Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Duddridge, James  
 Duguid, David  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellwood, rh Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Mr Nigel  
 Evennett, rh Sir David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Field, rh Mark  
 Ford, Vicky  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Francois, rh Mr Mark  
 Frazer, Lucy  
 Freeman, George  
 Fysh, Mr Marcus  
 Gale, Sir Roger  
 Garnier, Mark  
 Gauke, rh Mr David  
 Ghani, Ms Nusrat  
 Gibb, rh Nick  
 Gillan, rh Dame Cheryl  
 Girvan, Paul  
 Glen, John  
 Goldsmith, Zac  
 Goodwill, rh Mr Robert  
 Gove, rh Michael  
 Graham, Luke  
 Graham, Richard  
 Grant, Bill  
 Grant, Mrs Helen  
 Gray, James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gyimah, Mr Sam  
 Hair, Kirstene  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, rh Mr Philip  
 Hammond, Stephen  
 Hancock, rh Matt  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harrington, Richard  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Simon  
 Hayes, rh Mr John  
 Heald, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, rh Damian  
 Hoare, Simon

Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Adam  
 Howell, John  
 Huddleston, Nigel  
 Hughes, Eddie  
 Hunt, rh Mr Jeremy  
 Hurd, rh Mr Nick  
 Jack, Mr Alister  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Sir Bernard  
 Jenkyns, Andrea  
 Jenrick, Robert  
 Johnson, rh Boris  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Johnson, Joseph  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Keegan, Gillian  
 Kennedy, Seema  
 Kerr, Stephen  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lamont, John  
 Lancaster, rh Mark  
 Latham, Mrs Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Leigh, Sir Edward  
 Letwin, rh Sir Oliver  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Liddell-Grainger, Mr Ian  
 Lidington, rh Mr David  
 Little Pengelly, Emma  
 Lopez, Julia  
 Lopresti, Jack  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Maclean, Rachel  
 Mak, Alan  
 Malthouse, Kit  
 Mann, Scott  
 Masterton, Paul  
 May, rh Mrs Theresa  
 Maynard, Paul  
 McLoughlin, rh Sir Patrick  
 McPartland, Stephen  
 McVey, rh Ms Esther  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Moore, Damien  
 Mordaunt, rh Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James

Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, rh Caroline  
 Norman, Jesse  
 O'Brien, Neil  
 Offord, Dr Matthew  
 Opperman, Guy  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, rh Claire  
 Philp, Chris  
 Pincher, Christopher  
 Poulter, Dr Dan  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, rh Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Ross, Douglas  
 Rowley, Lee  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Seely, Mr Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, David  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, rh Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie

Tolhurst, Kelly  
Tomlinson, Justin  
Tomlinson, Michael  
Tracey, Craig  
Tredinnick, David  
Trevelyan, Mrs Anne-Marie  
Truss, rh Elizabeth  
Tugendhat, Tom  
Vaizey, rh Mr Edward  
Vara, Mr Shailesh  
Vickers, Martin  
Villiers, rh Theresa  
Walker, Mr Charles  
Walker, Mr Robin  
Wallace, rh Mr Ben  
Warburton, David  
Warman, Matt

Watling, Giles  
Whately, Helen  
Wheeler, Mrs Heather  
Whittaker, Craig  
Whittingdale, rh Mr John  
Wiggin, Bill  
Williamson, rh Gavin  
Wilson, rh Sammy  
Wollaston, Dr Sarah  
Wood, Mike  
Wragg, Mr William  
Wright, rh Jeremy  
Zahawi, Nadhim

**Tellers for the Noes:**

**Wendy Morton and  
Mike Freer**

Davies, David T. C.  
Davies, Glyn  
Davies, Mims  
Davies, Philip  
Davis, rh Mr David  
Dinenage, Caroline  
Docherty, Leo  
Dodds, rh Nigel  
Donaldson, rh Sir Jeffrey M.  
Donelan, Michelle  
Dorries, Ms Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Duddridge, James  
Duguid, David  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellwood, rh Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Mr Nigel  
Evennett, rh Sir David  
Fabricant, Michael  
Fallon, rh Sir Michael  
Field, rh Frank  
Field, rh Mark  
Ford, Vicky  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fysh, Mr Marcus  
Gale, Sir Roger  
Garnier, Mark  
Gauke, rh Mr David  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gillan, rh Dame Cheryl  
Girvan, Paul  
Glen, John  
Goldsmith, Zac  
Goodwill, rh Mr Robert  
Gove, rh Michael  
Graham, Luke  
Graham, Richard  
Grant, Bill  
Grant, Mrs Helen  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Griffiths, Andrew  
Gyimah, Mr Sam  
Hair, Kirstene  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip  
Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Harrison, Trudy  
Hart, Simon  
Hayes, rh Mr John

Heald, rh Sir Oliver  
Heapey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, rh Damian  
Hoare, Simon  
Hoey, Kate  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Hopkins, Kelvin  
Howell, John  
Huddleston, Nigel  
Hughes, Eddie  
Hunt, rh Mr Jeremy  
Hurd, rh Mr Nick  
Jack, Mr Alister  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenkyens, Andrea  
Jenrick, Robert  
Johnson, rh Boris  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Keegan, Gillian  
Kennedy, Seema  
Kerr, Stephen  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lamont, John  
Lancaster, rh Mark  
Latham, Mrs Pauline  
Leadsom, rh Andrea  
Lefroy, Jeremy  
Leigh, Sir Edward  
Letwin, rh Sir Oliver  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Little Pengelly, Emma  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Maclean, Rachel  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
May, rh Mrs Theresa  
McLoughlin, rh Sir Patrick  
McPartland, Stephen  
McVey, rh Ms Esther  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalfe, Stephen  
Miller, rh Mrs Maria  
Milling, Amanda  
Mills, Nigel

*Question accordingly negated.*

**New Clause 36**

**PROHIBITION ON COLLECTION OF CERTAIN TAXES OR  
DUTIES ON BEHALF OF TERRITORY WITHOUT  
RECIPROCITY**

‘(1) Subject to subsection (2), it shall be unlawful for HMRC to account for any duty of customs or VAT or excise duty collected by HMRC to the Government of a country or territory outside the United Kingdom.

(2) Subsection (1) shall not apply if the Treasury declare by Order that arrangements have been entered into by Her Majesty’s Government and that government under which that government will account to HMRC for those duties and taxes collected in that country on a reciprocal basis.’—(*Priti Patel.*)

*Brought up.*

*Question put, That the clause be added to the Bill.*

*The House divided: Ayes 305, Noes 302.*

**Division No. 211]**

**[9.44 pm**

**AYES**

Adams, Nigel  
Afolami, Bim  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Amess, Sir David  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Badenoch, Mrs Kemi  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Bellingham, Sir Henry  
Beresford, Sir Paul  
Berry, Jake  
Blackman, Bob  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Bottomley, Sir Peter  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Braverman, Suella  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Bruce, Fiona  
Buckland, Robert  
Burghart, Alex  
Burns, Conor  
Burt, rh Alistair  
Cairns, rh Alun  
Campbell, Mr Gregory  
Cartlidge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Sir Christopher  
Churchill, Jo  
Clark, Colin  
Clark, rh Greg  
Clarke, Mr Simon  
Cleverly, James  
Clifton-Brown, Sir Geoffrey  
Coffey, Dr Thérèse  
Costa, Alberto  
Courts, Robert  
Cox, rh Mr Geoffrey  
Crabb, rh Stephen  
Crouch, Tracey  
Davies, Chris

Mitchell, rh Mr Andrew  
 Moore, Damien  
 Mordaunt, rh Penny  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Newton, Sarah  
 Nokes, rh Caroline  
 Norman, Jesse  
 O'Brien, Neil  
 Offord, Dr Matthew  
 Opperman, Guy  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, rh Claire  
 Philp, Chris  
 Pincher, Christopher  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, rh Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Ross, Douglas  
 Rowley, Lee  
 Rudd, rh Amber  
 Rutley, David  
 Scully, Paul  
 Seely, Mr Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, David  
 Skidmore, Chris

Smith, Chloe  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, rh Mel  
 Stringer, Graham  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williamson, rh Gavin  
 Wilson, rh Sammy  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

#### **Tellers for the Ayes:**

**Paul Maynard and  
 Stuart Andrew**

#### **NOES**

Abbott, rh Ms Diane  
 Ali, Rushanara  
 Allen, Heidi  
 Allin-Khan, Dr Rosena  
 Amesbury, Mike  
 Antoniazzi, Tonia  
 Ashworth, Jonathan  
 Austin, Ian  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Barron, rh Sir Kevin  
 Bebb, Guto  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Benyon, rh Richard

Berger, Luciana  
 Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Alan  
 Brown, Lyn  
 Brown, rh Mr Nicholas

Bryant, Chris  
 Burden, Richard  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Douglas  
 Chapman, Jenny  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clarke, rh Mr Kenneth  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crausby, Sir David  
 Crawley, Angela  
 Creagh, Mary  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Daby, Janet  
 Dakin, Nic  
 Davey, rh Sir Edward  
 David, Wayne  
 Davies, Geraint  
 Day, Martyn  
 De Cordova, Marsha  
 De Piero, Gloria  
 Dent Coad, Emma  
 Dhesi, Mr Tanmanjeet Singh  
 Djanogly, Mr Jonathan  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Drew, Dr David  
 Dromey, Jack  
 Duffield, Rosie  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Dame Louise  
 Elmore, Chris  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Fellows, Marion  
 Fitzpatrick, Jim  
 Flint, rh Caroline  
 Frith, James  
 Furniss, Gill  
 Gaffney, Hugh  
 Gapes, Mike  
 Gardiner, Barry  
 George, Ruth  
 Gethins, Stephen

Gibson, Patricia  
 Gill, Preet Kaur  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Grady, Patrick  
 Grant, Peter  
 Gray, Neil  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Grieve, rh Mr Dominic  
 Griffith, Nia  
 Grogan, John  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hammond, Stephen  
 Hanson, rh David  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hill, Mike  
 Hillier, Meg  
 Hobhouse, Wera  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, Diana  
 Jones, Darren  
 Jones, Gerald  
 Jones, Graham P.  
 Jones, Helen  
 Jones, rh Mr Kevan  
 Jones, Sarah  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Killen, Ged  
 Kinnock, Stephen  
 Kyle, Peter  
 Laird, Lesley  
 Lake, Ben  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Law, Chris  
 Lee, Karen  
 Lee, Dr Phillip  
 Leslie, Mr Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Linden, David  
 Lloyd, Stephen  
 Lloyd, Tony  
 Long Bailey, Rebecca

Lucas, Caroline  
 Lynch, Holly  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marsden, Gordon  
 Martin, Sandy  
 Maskell, Rachael  
 Matheson, Christian  
 Mc Nally, John  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 McMorris, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Monaghan, Carol  
 Moon, Mrs Madeleine  
 Moran, Layla  
 Morden, Jessica  
 Morgan, rh Nicky  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Nandy, Lisa  
 Neill, Robert  
 Newlands, Gavin  
 Norris, Alex  
 O'Hara, Brendan  
 Onasanya, Fiona  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Pawsey, Mark  
 Peacock, Stephanie  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Platt, Jo  
 Pollard, Luke  
 Pound, Stephen  
 Powell, Lucy  
 Qureshi, Yasmin  
 Rashid, Faisal  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Ellie  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Ms Marie

Robinson, Mr Geoffrey  
 Rodda, Matt  
 Rowley, Danielle  
 Ruane, Chris  
 Russell-Moyle, Lloyd  
 Ryan, rh Joan  
 Sandbach, Antoinette  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, Angela  
 Smith, Eleanor  
 Smith, Jeff  
 Smith, Laura  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Sobel, Alex  
 Soubry, rh Anna  
 Spellar, rh John  
 Starmer, rh Keir  
 Stephens, Chris  
 Stevens, Jo  
 Stone, Jamie  
 Streeting, Wes  
 Sweeney, Mr Paul  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, Nick  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Stephen  
 Twist, Liz  
 Umunna, Chuka  
 Vaz, Valerie  
 Walker, Thelma  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitfield, Martin  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Williams, Dr Paul  
 Williamson, Chris  
 Wilson, Phil  
 Wishart, Pete  
 Wollaston, Dr Sarah  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Noes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

*Question accordingly agreed to.*

*New clause 32 added to the Bill.*

## **New Clause 37**

### **SINGLE UNITED KINGDOM CUSTOMS TERRITORY**

(1) It shall be unlawful for Her Majesty's Government to enter into arrangements under which Northern Ireland forms part of a separate customs territory to Great Britain.

(2) For the purposes of this section "customs territory" shall have the same meaning as in the General Agreement on Tariffs and Trade, 1947, as amended.—(*Mr Laurence Robertson.*)

*Brought up, and added to the Bill.*

## **Clause 8**

### **THE CUSTOMS TARIFF**

*Amendment made:* 74, page 6, line 1, at end insert—

"( ) the interests of producers in the United Kingdom of the goods concerned," —(*George Hollingbery.*)

*This amendment requires the Treasury, when considering what rate of import duty ought to apply to particular goods, to have regard to the interests of UK producers of those goods.*

## **Clause 13**

### **DUMPING OF GOODS, FOREIGN SUBSIDIES AND INCREASES IN IMPORTS**

*Amendment made:* 84, page 9, line 7, after "a" insert "provisional tariff rate quota or a"—(*George Hollingbery.*)

*This amendment is consequential on Amendment 85.*

*Amendment proposed:* 21, page 9, line 18, at end insert—

"(4A) Subsection (4B) applies where the TRA or the Secretary of State is considering whether the application of a remedy, or the acceptance of a recommendation to do so—

(a) is in the public interest, or

(b) meets either of the economic interest tests described in paragraph 25 of Schedule 4 or paragraph 21 of Schedule 5.

(4B) In making a consideration to which this subsection applies, notwithstanding the provisions of Schedules 4 and 5, the TRA or the Secretary of State must give special consideration to the need to eliminate the trade distorting effect of injurious dumping and to restore effective competition, and must presume the application of a remedy or the acceptance of a recommendation to do so to be in the public interest and to have met the economic interest test unless this special consideration is significantly outweighed." —(*Peter Dowd.*)

*This amendment ensures that there is a presumption that if dumping is found, a remedial action will be taken.*

*Question put, That the amendment be made.*

*The House divided: Ayes 283, Noes 317.*

## **Division No. 212]**

**[10.00 pm**

### **AYES**

Abbott, rh Ms Diane  
 Ali, Rushanara  
 Allin-Khan, Dr Rosena  
 Amesbury, Mike  
 Antoniazzi, Tonia  
 Ashworth, Jonathan  
 Austin, Ian  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Barron, rh Sir Kevin  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Berger, Luciana

Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Alan  
 Brown, Lyn  
 Brown, rh Mr Nicholas

Bryant, Chris  
 Burden, Richard  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carden, Dan  
 Champion, Sarah  
 Chapman, Douglas  
 Chapman, Jenny  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crausby, Sir David  
 Crawley, Angela  
 Creagh, Mary  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Daby, Janet  
 Dakin, Nic  
 David, Wayne  
 Davies, Geraint  
 Day, Martyn  
 De Cordova, Marsha  
 De Piero, Gloria  
 Dent Coad, Emma  
 Dhesi, Mr Tanmanjeet Singh  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Drew, Dr David  
 Dromey, Jack  
 Duffield, Rosie  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Dame Louise  
 Elmore, Chris  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Fellows, Marion  
 Field, rh Frank  
 Fitzpatrick, Jim  
 Flint, rh Caroline  
 Frith, James  
 Furniss, Gill  
 Gaffney, Hugh  
 Gapes, Mike  
 Gardiner, Barry  
 George, Ruth  
 Gethins, Stephen  
 Gibson, Patricia  
 Gill, Preet Kaur  
 Glindon, Mary

Godsiff, Mr Roger  
 Goodman, Helen  
 Grady, Patrick  
 Grant, Peter  
 Gray, Neil  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Grogan, John  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hanson, rh David  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hill, Mike  
 Hillier, Meg  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, Diana  
 Jones, Darren  
 Jones, Gerald  
 Jones, Graham P.  
 Jones, Helen  
 Jones, rh Mr Kevan  
 Jones, Sarah  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Killen, Ged  
 Kinnock, Stephen  
 Kyle, Peter  
 Laird, Lesley  
 Lake, Ben  
 Lammy, rh Mr David  
 Lavery, Ian  
 Law, Chris  
 Lee, Karen  
 Leslie, Mr Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Linden, David  
 Lloyd, Tony  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marsden, Gordon

Martin, Sandy  
 Maskell, Rachael  
 Matheson, Christian  
 Mc Nally, John  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 McMorris, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Monaghan, Carol  
 Moon, Mrs Madeleine  
 Morden, Jessica  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Nandy, Lisa  
 Newlands, Gavin  
 Norris, Alex  
 O'Hara, Brendan  
 Onasanya, Fiona  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Peacock, Stephanie  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Platt, Jo  
 Pollard, Luke  
 Pound, Stephen  
 Powell, Lucy  
 Qureshi, Yasmin  
 Rashid, Faisal  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Ellie  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Ms Marie  
 Robinson, Mr Geoffrey  
 Rodda, Matt  
 Rowley, Danielle  
 Ruane, Chris  
 Russell-Moyle, Lloyd

Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, Angela  
 Smith, Eleanor  
 Smith, Jeff  
 Smith, Laura  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Sobel, Alex  
 Speller, rh John  
 Starmer, rh Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Sweeney, Mr Paul  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, Nick  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Stephen  
 Twist, Liz  
 Umunna, Chuka  
 Vaz, Valerie  
 Walker, Thelma  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitfield, Martin  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Williams, Dr Paul  
 Williamson, Chris  
 Wilson, Phil  
 Wishart, Pete  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

#### NOES

Adams, Nigel  
 Afolami, Bim  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard

Badenoch, Mrs Kemi  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Baron, Mr John  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, Jake

Blackman, Bob	Fox, rh Dr Liam	Kawczynski, Daniel	Pow, Rebecca
Blunt, Crispin	Francois, rh Mr Mark	Keegan, Gillian	Prentis, Victoria
Boles, Nick	Frazer, Lucy	Kennedy, Seema	Prisk, Mr Mark
Bone, Mr Peter	Freeman, George	Kerr, Stephen	Pritchard, Mark
Bottomley, Sir Peter	Freer, Mike	Knight, rh Sir Greg	Pursglove, Tom
Bowie, Andrew	Fysh, Mr Marcus	Knight, Julian	Quin, Jeremy
Bradley, Ben	Gale, Sir Roger	Kwarteng, Kwasi	Quince, Will
Bradley, rh Karen	Garnier, Mark	Lamont, John	Raab, rh Dominic
Brady, Sir Graham	Gauke, rh Mr David	Lancaster, rh Mark	Redwood, rh John
Braverman, Suella	Ghani, Ms Nusrat	Latham, Mrs Pauline	Rees-Mogg, Mr Jacob
Brereton, Jack	Gibb, rh Nick	Leadsom, rh Andrea	Robertson, Mr Laurence
Bridgen, Andrew	Gillan, rh Dame Cheryl	Lee, Dr Phillip	Robinson, Gavin
Brine, Steve	Girvan, Paul	Lefroy, Jeremy	Robinson, Mary
Bruce, Fiona	Glen, John	Leigh, Sir Edward	Rosindell, Andrew
Buckland, Robert	Goldsmith, Zac	Letwin, rh Sir Oliver	Ross, Douglas
Burghart, Alex	Goodwill, rh Mr Robert	Lewer, Andrew	Rowley, Lee
Burns, Conor	Gove, rh Michael	Lewis, rh Brandon	Rudd, rh Amber
Burt, rh Alistair	Graham, Luke	Lewis, rh Dr Julian	Rutley, David
Cairns, rh Alun	Graham, Richard	Liddell-Grainger, Mr Ian	Sandbach, Antoinette
Campbell, Mr Gregory	Grant, Bill	Lidington, rh Mr David	Scully, Paul
Cartlidge, James	Grant, Mrs Helen	Little Pengelly, Emma	Seely, Mr Bob
Cash, Sir William	Gray, James	Lopez, Julia	Selous, Andrew
Caulfield, Maria	Grayling, rh Chris	Lopresti, Jack	Shannon, Jim
Chalk, Alex	Green, Chris	Lord, Mr Jonathan	Shapps, rh Grant
Chishti, Rehman	Green, rh Damian	Loughton, Tim	Sharma, Alok
Chope, Sir Christopher	Greening, rh Justine	Mackinlay, Craig	Shelbrooke, Alec
Churchill, Jo	Grieve, rh Mr Dominic	Maclean, Rachel	Simpson, David
Clark, Colin	Griffiths, Andrew	Mak, Alan	Simpson, rh Mr Keith
Clark, rh Greg	Gyimah, Mr Sam	Malthouse, Kit	Skidmore, Chris
Clarke, rh Mr Kenneth	Hair, Kirstene	Mann, Scott	Smith, Chloe
Clarke, Mr Simon	Halfon, rh Robert	Masterton, Paul	Smith, Henry
Cleverly, James	Hall, Luke	May, rh Mrs Theresa	Smith, rh Julian
Clifton-Brown, Sir Geoffrey	Hammond, rh Mr Philip	McLoughlin, rh Sir Patrick	Smith, Royston
Coffey, Dr Thérèse	Hammond, Stephen	McPartland, Stephen	Soames, rh Sir Nicholas
Costa, Alberto	Hancock, rh Matt	McVey, rh Ms Esther	Soubry, rh Anna
Courts, Robert	Hands, rh Greg	Menzies, Mark	Spelman, rh Dame Caroline
Cox, rh Mr Geoffrey	Harper, rh Mr Mark	Mercer, Johnny	Spencer, Mark
Crabb, rh Stephen	Harrington, Richard	Merriman, Huw	Stevenson, John
Crouch, Tracey	Harris, Rebecca	Metcalfe, Stephen	Stewart, Bob
Davies, Chris	Harrison, Trudy	Miller, rh Mrs Maria	Stewart, Iain
Davies, David T. C.	Hart, Simon	Milling, Amanda	Stewart, Rory
Davies, Glyn	Hayes, rh Mr John	Mills, Nigel	Streeter, Mr Gary
Davies, Mims	Heald, rh Sir Oliver	Mitchell, rh Mr Andrew	Stride, rh Mel
Davies, Philip	Heapey, James	Moore, Damien	Stuart, Graham
Davis, rh Mr David	Heaton-Harris, Chris	Mordaunt, rh Penny	Sturdy, Julian
Dinenage, Caroline	Heaton-Jones, Peter	Morgan, rh Nicky	Sunak, Rishi
Djanogly, Mr Jonathan	Henderson, Gordon	Morris, Anne Marie	Swayne, rh Sir Desmond
Docherty, Leo	Herbert, rh Nick	Morris, David	Syms, Sir Robert
Dodds, rh Nigel	Hinds, rh Damian	Morris, James	Thomas, Derek
Donaldson, rh Sir Jeffrey M.	Hoare, Simon	Morton, Wendy	Thomson, Ross
Donelan, Michelle	Hollingbery, George	Mundell, rh David	Throup, Maggie
Dorries, Ms Nadine	Hollinrake, Kevin	Murray, Mrs Sheryll	Tolhurst, Kelly
Double, Steve	Hollobone, Mr Philip	Murrison, Dr Andrew	Tomlinson, Justin
Dowden, Oliver	Holloway, Adam	Neill, Robert	Tomlinson, Michael
Doyle-Price, Jackie	Howell, John	Newton, Sarah	Tracey, Craig
Drax, Richard	Huddleston, Nigel	Nokes, rh Caroline	Tredinnick, David
Duddridge, James	Hughes, Eddie	Norman, Jesse	Trevelyan, Mrs Anne-Marie
Duguid, David	Hunt, rh Mr Jeremy	O'Brien, Neil	Truss, rh Elizabeth
Duncan, rh Sir Alan	Hurd, rh Mr Nick	Offord, Dr Matthew	Tugendhat, Tom
Duncan Smith, rh Mr Iain	Jack, Mr Alister	Opperman, Guy	Vaizey, rh Mr Edward
Dunne, Mr Philip	Javid, rh Sajid	Paisley, Ian	Vara, Mr Shailesh
Ellis, Michael	Jayawardena, Mr Ranil	Parish, Neil	Vickers, Martin
Ellwood, rh Mr Tobias	Jenkin, Sir Bernard	Patel, rh Priti	Villiers, rh Theresa
Elphicke, Charlie	Jenkyns, Andrea	Paterson, rh Mr Owen	Walker, Mr Charles
Eustice, George	Jenrick, Robert	Pawsey, Mark	Walker, Mr Robin
Evans, Mr Nigel	Johnson, rh Boris	Penning, rh Sir Mike	Wallace, rh Mr Ben
Evennett, rh Sir David	Johnson, Dr Caroline	Penrose, John	Warburton, David
Fabricant, Michael	Johnson, Gareth	Percy, Andrew	Warman, Matt
Fallon, rh Sir Michael	Johnson, Joseph	Perry, rh Claire	Watling, Giles
Field, rh Mark	Jones, Andrew	Philp, Chris	Whately, Helen
Ford, Vicky	Jones, rh Mr David	Pincher, Christopher	Wheeler, Mrs Heather
Foster, Kevin	Jones, Mr Marcus	Poulter, Dr Dan	Whittaker, Craig

Whittingdale, rh Mr John  
Wiggin, Bill  
Williamson, rh Gavin  
Wilson, rh Sammy  
Wollaston, Dr Sarah  
Wood, Mike

Wragg, Mr William  
Wright, rh Jeremy  
Zahawi, Nadhim

**Tellers for the Noes:**  
Paul Maynard and  
Stuart Andrew

*Question accordingly negatived.*

**Mr Speaker:** I informed the House earlier—which may have been of interest to those present, and with the encouragement of the right hon. Gentleman concerned—that the Financial Secretary was celebrating his 13th wedding anniversary in the presence of his wife and his two delightful daughters in the Gallery. I now must inform the House—[*Interruption.*] Well, whether I must or not, I am going to: I now must inform the House that the Mother of the House, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), has become a grandmother. I congratulate the right hon. and learned Lady, and the hon. Member for Birmingham, Erdington (Jack Dromey), who has become a grandfather. I must tell the House that Holly was born yesterday at 4 o'clock in the morning. Congratulations to the right hon. and learned Lady.

### Clause 25

#### DISCLOSURE OF INFORMATION

*Amendment proposed:* 33, page 17, line 2, leave out “Data Protection Act 1998” and insert “data protection legislation”.—(*Kirsty Blackman.*)

*Question put,* That the amendment be made.

*A Division was called.*

**Mr Speaker:** Order. Colleagues will understand me if I say that I think there might be some evidence of what I might call ritualism involved in this matter, but it is up to people to find their own salvation, and I think that the Financial Secretary to the Treasury is well able to do so, with help from others if he is so minded.

**Mel Stride** *rose*—

**Mr Speaker:** Order. It is very good of the right hon. Gentleman, but I think that the Government had previously signalled, and I had been advised—although this is not a matter for the Chair—that they had accepted this amendment. However, when it was put to the vote, and Scottish National party voices shouted Aye, there was what might be described as an instinctive reaction of No from some quarters. If that is what the right hon. Gentleman was attempting to articulate, we are most grateful to him.

**Mel Stride:** Thank you, Mr Speaker. The instincts on our side are often divided, but not on this matter. We are at one in accepting amendment 33, as well as amendment 34, tabled by the Scottish National party.

**Mr Speaker:** Well, an absence of Tellers will suffice to achieve the objective of the Minister. Division off.

*Amendment 33 agreed to.*

*Amendment made:* 34, page 17, line 4, at end insert—

‘(8) In this section, “the data protection legislation” has the same meaning as in the Data Protection Act 2018.’—(*Kirsty Blackman.*)

### Clause 31

#### TERRITORIES FORMING PART OF A CUSTOMS UNION WITH UK

*Amendment made:* 72, page 18, line 34, at end insert—

‘(4A) In the case of a customs union between the United Kingdom and the European Union, Her Majesty may not make a declaration by Order In Council under subsection (4) unless the arrangements have been approved by an Act of Parliament.’—(*Sir Bernard Jenkin.*)

*This amendment provides that the delegated powers under this clause may not be exercised until a proposed customs union with the European Union has been approved by a separate Act of Parliament.*

### Clause 32

#### REGULATIONS ETC

*Amendments made:* 75, page 19, line 15, leave out paragraphs (a) and (b) and insert

“any regulations to which this subsection applies”.

*Amendments 75 and 76 provide that regulations under Clause 30 (general provision for import duty purposes) cease to have effect if not approved by the House of Commons within 28 days of being made.*

*Amendment 76, page 19, line 21, at end insert—*

“( ) Subsection (2) applies to—

- (a) the first regulations under section 8 (the customs tariff),
- (b) any other regulations under that section the effect of which is an increase in the amount of import duty payable under the customs tariff in a standard case (within the meaning of that section), or
- (c) regulations under section 30 (general provision for import duty purposes).”—(*Mel Stride.*)

*See the explanatory statement for Amendment 75.*

### Clause 39

#### CHARGE TO EXPORT DUTY

*Amendment made:* 77, page 27, line 12, at end insert—

“( ) the interests of producers in the United Kingdom of the goods concerned.”—(*Mel Stride.*)

*This amendment requires the Treasury, when considering whether to impose export duty and the rate of export duty that ought to apply to particular goods if it is to be imposed, to have regard to the interests of UK producers of those goods.*

### Clause 42

#### EU LAW RELATING TO VAT

*Amendments made:* 78, page 29, line 45, at end insert—

“( ) No regulations may be made under this section on or after 1 April 2023.”

*This amendment provides that the powers to make regulations under Clause 42 (EU law relating to VAT) are not exercisable after 31 March 2023.*

*Amendment 79, page 30, line 1, leave out from “section” to end of line 2 and insert*

“must be laid before the House of Commons, and, unless approved by that House before the end of the period of 28 days beginning with the date on which the instrument is made, ceases to have effect at the end of that period.

“( ) The fact that a statutory instrument ceases to have effect as mentioned in subsection (6) does not affect—

- (a) anything previously done under the instrument, or
- (b) the making of a new statutory instrument.

( ) In calculating the period for the purposes of subsection (6), no account is to be taken of any time—

- (a) during which Parliament is dissolved or prorogued, or
- (b) during which the House of Commons is adjourned for more than 4 days.”—(*Mel Stride*.)

*This amendment provides that regulations under Clause 42 (EU law relating to VAT) cease to have effect if not approved by the House of Commons within 28 days of being made.*

### Clause 47

#### EU LAW RELATING TO EXCISE DUTY

*Amendment made:* 80, page 32, line 47, at end insert—

“( ) No regulations may be made under this section on or after 1 April 2023.”—(*Mel Stride*.)

*This amendment provides that the power to make regulations under Clause 47 (EU law relating to excise duty) is not exercisable after 31 March 2023.*

### Clause 48

#### REGULATIONS UNDER SS. 44 TO 47

*Amendments made:* 81, page 33, line 12, after “section” insert “, or regulations under section 47,”.

*This amendment provides that regulations under Clause 47 (EU law relating to excise duty) cease to have effect if not approved by the House of Commons within 28 days of being made.*

*Amendment 23, page 33, line 30, leave out “47” and insert “46”.—(Mel Stride.)*

*This amendment is consequential Amendment 81.*

### Clause 51

#### POWER TO MAKE PROVISION IN RELATION TO VAT OR DUTIES OF CUSTOMS OR EXCISE

*Amendment made:* 82, page 34, line 41, at end insert—

“( ) No regulations may be made under this section on or after 1 April 2022.”—(*Mel Stride*.)

*This amendment provides that the power to make regulations under Clause 51 (power to make provision in relation to VAT or duties of customs or excise) is not exercisable after 31 March 2022.*

### Schedule 4

#### DUMPING OF GOODS OR FOREIGN SUBSIDIES CAUSING INJURY TO UK INDUSTRY

*Amendments made:* 103, page 66, line 26, leave out from “that” to end of line 30 and insert

“it is not in the public interest to accept it.

“(2A) In considering that, the Secretary of State must accept the TRA’s determination that requiring a guarantee in accordance with the recommendation meets the economic interest test (see paragraph 25), unless the Secretary of State is satisfied that the determination is not one that the TRA could reasonably have made.”

*Amendments 103 and 108 provide that the Secretary of State may reject a recommendation by the TRA to apply an anti-dumping or anti-subsidy remedy only if the Secretary of State is satisfied that it is not in the public interest to accept the recommendation. In deciding that, the Secretary of State must accept the TRA’s view that the economic interest test is met, unless satisfied that the TRA could not reasonably have come to that view.*

*Amendment 104, page 68, line 42, leave out*

“such period as the TRA considers necessary”

and insert

“a period of 5 years unless the TRA considers that a lesser period is sufficient”.

*Amendments 104 and 105 provide that the recommended period for the application of an anti-dumping amount or a countervailing amount is 5 years unless the TRA considers that a lesser period is sufficient to counteract the dumping, or the importation of subsidised goods, which has caused or is causing injury.*

*Amendment 105, page 69, line 1, leave out from beginning to “and” in line 3.*

*See the explanatory statement for Amendment 104.*

*Amendment 106, page 69, line 8, at end insert—*

“( ) In the case of a recommendation of such a prior date made by virtue of paragraph 19, the reference in sub-paragraph (2)(a) to a period of 5 years is to be read as a reference to a period of 5 years plus the relevant period (within the meaning of paragraph 19).”

*This amendment ensures that where it is recommended that an anti-dumping amount or a countervailing amount is applied to goods from a date on or before the day of publication of the relevant public notice under clause 13, the default recommended period of 5 years for the application of the amount (provided for by Amendment 104) is extended by that prior period.*

*Amendment 107, page 69, line 8, at end insert—*

“( ) See also paragraph 21 regarding the possibility, following a review, of extensions or variations to the period for which an anti-dumping amount or a countervailing amount applies to goods.”

*This amendment is consequential on Amendment 105.*

*Amendment 108, page 70, line 12, leave out from “that” to end of line 17 and insert*

“it is not in the public interest to accept it.

“(2A) In considering that, the Secretary of State must accept the TRA’s determination that the application of an anti-dumping amount or a countervailing amount to goods in accordance with the recommendation meets the economic interest test (see paragraph 25), unless the Secretary of State is satisfied that the determination is not one that the TRA could reasonably have made.”

*See the explanatory statement for Amendment 103.*

*Amendment 109, page 72, line 11, leave out*

“5 year period referred to in paragraph 18(2)(b)”

and insert

“period referred to in paragraph 18(2)(a)”.

*This amendment is consequential on Amendments 104 and 105.*

*Amendment 110, page 75, line 28, at end insert—*

“(zi) the injury caused by the dumping of the goods, or the importation of the subsidised goods, to a UK industry in the goods and the benefits to that UK industry in removing that injury,”

*Paragraph 25(4)(a) of Schedule 4 lists certain matters which the TRA and the Secretary of State must take account of, so far as relevant, when deciding whether the application of an anti-dumping or anti-subsidy remedy is not in the economic interest of the UK. Amendment 110 inserts an express reference in that list to the injury caused by the dumping of the goods or the subsidised imports to a UK industry in the goods and of the benefits to that industry in removing that injury.*

*Amendment 111, page 76, line 9, at end insert—*

“(zi) the UK industry referred to in sub-paragraph (4)(a)(zi) and other producers of goods,”

*Amendments 111 and 112 make clear that the references to “affected industries” in paragraph 25 of Schedule 4 continue to include the injured UK industry referred to in Amendment 110.*

*Amendment 112, page 76, line 10, leave out “producers and”.—(Mel Stride.)*

*See the explanatory statement for Amendment 111.*

### Schedule 5

#### INCREASE IN IMPORTS CAUSING SERIOUS INJURY TO UK PRODUCERS

*Amendments made:* 113, page 81, line 32, after “plan” insert

“or the TRA waives the requirement for the application to be accompanied by such a plan”.

*This amendment enables the TRA to waive the requirement for an application for the initiation of a safeguarding investigation to be accompanied by a preliminary adjustment plan.*

Amendment 85, page 84, line 12, leave out from “goods” to end of line 14 and insert

“or to specified relevant goods;

- (b) that all the relevant goods, or specified relevant goods, should be subject to a quota for a specified period during which a lower rate of import duty should be applicable to imports of goods within the amount of the quota than is applicable to imports of goods outside the amount of the quota (referred to in this Schedule as a ‘provisional tariff rate quota’).

(3A) Where the TRA makes a recommendation under sub-paragraph (3)(a) in relation to relevant goods it must, as part of the recommendation, recommend to the Secretary of State how a provisional safeguarding amount applicable to those goods should be determined.”

*This amendment enables the TRA, where it makes a provisional affirmative determination during a safeguarding investigation, to recommend that goods be made subject to a provisional tariff rate quota as an alternative to recommending that a provisional safeguarding amount be applied to the goods.*

Amendment 86, page 84, line 16, leave out

“the application of a provisional safeguarding amount” and insert

“applying a provisional safeguarding amount to relevant goods, or making relevant goods subject to a provisional tariff rate quota.”.

*This amendment is consequential on Amendment 85.*

Amendment 87, page 84, line 22, leave out sub-paragraph (5) and insert—

“(5) The TRA may only make a recommendation under one or other of paragraphs (a) and (b) of sub-paragraph (3) in relation to any particular relevant good.

(5A) The TRA may make a recommendation under paragraph (a) or (b) of sub-paragraph (3) in relation to specified relevant goods (rather than all the relevant goods) only if the recommendations which it makes under that sub-paragraph, when taken together, cover all the relevant goods.

(5B) If the TRA determines that there are one or more recommendations which it could make under sub-paragraph (3) in relation to all the relevant goods, or that there are one or more recommendations which it could make under sub-paragraph (3) in relation to specified relevant goods, it must make that recommendation or one of those recommendations (subject to sub-paragraphs (5) and (5A)).”

*This amendment is consequential on Amendment 85. It has the effect that the TRA may recommend that goods in relation to which a provisional affirmative determination is made should be subject either to a provisional safeguarding amount or a provisional tariff rate quota, but not both, although some of the goods may be subject to one type of provisional remedy whilst the rest are subject to the other type of remedy.*

Amendment 88, page 84, line 35, leave out “11(3)” and insert “11(3)(a)”.

*This amendment is consequential on Amendment 85.*

Amendment 89, page 84, line 41, leave out

“The recommendation referred to in paragraph 11(3)(b)”

and insert

“A recommendation under paragraph 11(3)(a)”.

*This amendment is consequential on Amendment 85.*

Amendment 90, page 84, line 42, at end insert “(see paragraph 11(3A))”.

*This amendment is consequential on Amendment 85.*

Amendment 91, page 85, line 11, leave out “11(3)” and insert “11(3)(a)”.

*This amendment is consequential on Amendment 85.*

Amendment 92, page 85, line 12, at end insert—

“TRA’s recommendations regarding provisional tariff rate quotas

12A (1) This paragraph applies to a recommendation by the TRA under paragraph 11(3)(b) in relation to goods.

(2) The specified period referred to in paragraph 11(3)(b)—

(a) must not exceed 200 days, and

(b) if the recommendation is accepted by the Secretary of State, must begin on the day after the date of publication of the public notice under section 13 giving effect to the recommendation.

(3) The recommendation must (in addition to the specified period) include—

(a) the TRA’s recommendation regarding—

(i) the amount of the quota,

(ii) how the quota should be allocated, and

(iii) the rates of import duty that should be applied to goods subject to the quota, and

(b) such other content as regulations may require.

(4) The TRA must consult the Secretary of State before making a recommendation regarding the allocation of the quota.

(5) The things recommended by the TRA by virtue of sub-paragraph (3)(a) must be such as the TRA is satisfied are necessary to prevent serious injury which it would be difficult to repair from being caused during the investigation to UK producers of the goods.

(6) Regulations may make provision for the purposes of sub-paragraph (5) about how the things which the TRA is satisfied are necessary to prevent the serious injury described in that provision are to be determined.”

*This amendment makes provision about the content of a TRA recommendation that goods should be subject to a provisional tariff rate quota. See the explanatory statement to Amendment 85 concerning the making of such a recommendation.*

Amendment 93, page 85, line 14, leave out “11(3)” and insert “11(3)(a)”.

*This amendment is consequential on Amendment 85.*

Amendment 94, page 85, line 37, leave out sub-paragraph (5).

*This amendment is consequential on Amendment 85.*

Amendment 95, page 85, line 40, leave out

“of a provisional remedy in respect of goods”

and insert

“for which a provisional safeguarding amount applies to goods”.

*This amendment is consequential on Amendment 85.*

Amendment 96, page 85, line 42, at end insert—

“Secretary of State’s power to subject goods to a provisional tariff rate quota

13A (1) If the TRA makes a recommendation under paragraph 11(3)(b), the Secretary of State must decide whether to accept or reject the recommendation.

(2) The Secretary of State may reject the recommendation only if the Secretary of State is satisfied that—

(a) making goods subject to a provisional tariff rate quota in accordance with the recommendation does not meet the economic interest test (see paragraph 21), or

(b) it is not otherwise in the public interest to accept the recommendation.

(3) If the recommendation is rejected, the Secretary of State must—

- (a) publish notice of the TRA's provisional affirmative determination in relation to the goods, of the recommendation and of the rejection of it,
- (b) notify interested parties (see paragraph 29(3)) accordingly, and
- (c) lay a statement before the House of Commons setting out the reasons for rejecting the recommendation.

(4) If the recommendation is accepted, the Secretary of State—

- (a) must publish notice of the TRA's provisional affirmative determination in relation to the goods, of the recommendation and of the acceptance of it,
- (b) must notify interested parties accordingly, and
- (c) is required under section 13 to make provision by public notice to give effect to the recommendation.

(5) The period for which goods are subject to a provisional tariff rate quota ceases (if it has not already expired) when the safeguarding investigation in relation to the goods terminates.”

*This amendment makes provision about what the Secretary of State is to do if the TRA recommends that goods should be subject to a provisional tariff rate quota. See the explanatory statement to Amendment 85 concerning the making of such a recommendation.*

Amendment 114, page 86, line 32, at end insert—

“( ) But sub-paragraph (5) is to be read as if paragraph (b) were omitted if the TRA waived the requirement for the application to initiate a safeguarding investigation in relation to the relevant goods to be accompanied by a preliminary adjustment plan.”

*Paragraph 14(5)(b) of Schedule 5 to the Bill requires the TRA to be satisfied that an adjustment plan is in place before recommending to the Secretary of State, following the making of a final affirmative determination in a safeguarding investigation, that a definitive safeguarding amount should be applied or a tariff rate quota imposed. This amendment disapplies the paragraph 14(5)(b) requirement in cases where the requirement to provide a preliminary adjustment plan was waived at the point when the application was being made for the initiation of a safeguarding investigation.*

Amendment 97, page 88, leave out lines 1 to 13 and insert—

“(7) If a provisional safeguarding remedy has been applied to some or all of the goods as part of the same safeguarding investigation, sub-paragraph (8) applies for the purposes of sub-paragraphs (2)(b) and (4)(b).

(8) The length of the specified period referred to in paragraph 14(3)(a), so far as relating to goods to which a provisional safeguarding remedy has been applied, is to be treated as extended by the length of the specified period for which the TRA recommended that a provisional safeguarding remedy should be applied to them.

(9) Where the application of sub-paragraph (8) results in the length of the specified period referred to in paragraph 14(3)(a), so far as relating to goods to which a provisional safeguarding remedy has been applied, exceeding 1 year, sub-paragraph (4)(b) is to be read as if references to goods were references to the goods to which the provisional safeguarding remedy has been applied.

(10) In this paragraph, references to the application of a provisional safeguarding remedy are to—

- (a) applying a provisional safeguarding amount to goods, or
- (b) making goods subject to a provisional tariff rate quota.”

*This amendment is consequential on Amendment 85. It explains what effect the period of a provisional tariff rate quota is to have where the TRA later recommends the application of a definitive safeguarding amount. The amendment also incorporates the existing provision about the effect of the period of a provisional safeguarding amount.*

Amendment 98, page 89, leave out lines 6 to 18 and insert—

“(7) If a provisional safeguarding remedy has been applied to some or all of the goods as part of the same safeguarding investigation, sub-paragraph (8) applies for the purposes of sub-paragraphs (2)(b) and (5)(b).

(8) The length of the specified period referred to in paragraph 14(3)(b), so far as relating to goods to which a provisional safeguarding remedy has been applied, is to be treated as extended by the length of the specified period for which the TRA recommended that a provisional safeguarding remedy should be applied to them.

(9) Where the application of sub-paragraph (8) results in the length of the specified period referred to in paragraph 14(3)(b), so far as relating to goods to which a provisional safeguarding remedy has been applied, exceeding 1 year, sub-paragraph (5)(b) is to be read as if references to goods were references to the goods to which the provisional safeguarding remedy has been applied.

(10) In this paragraph, references to the application of a provisional safeguarding remedy are to—

- (a) applying a provisional safeguarding amount to goods, or
- (b) making goods subject to a provisional tariff rate quota.”

*This amendment is consequential on Amendment 85. It explains what effect the period of a provisional tariff rate quota is to have where the TRA later recommends that goods be subject to a tariff rate quota. The amendment also incorporates the existing provision about the effect of the period of a provisional safeguarding amount.*

Amendment 115, page 91, line 8, leave out “the adjustment plan” and insert “an adjustment plan as”.

*This amendment is consequential on Amendment 114.*

Amendment 116, page 93, line 27, at end insert—

“(zi) the serious injury caused by the importation of the goods in increased quantities to UK producers of those goods and the benefits to those UK producers in removing that injury,”

*Paragraph 21(3)(a) of Schedule 5 lists certain matters which the TRA and the Secretary of State must take account of, so far as relevant, when deciding whether the application of a safeguarding remedy is in the economic interest of the UK. Amendment 116 inserts an express reference in that list to the serious injury caused by the importation of the goods in increased quantities to UK producers of the goods and of the benefits to those producers in removing that injury.*

Amendment 99, page 93, line 43, after “a” insert

“provisional tariff rate quota or a”.

*This amendment is consequential on Amendment 85.*

Amendment 117, page 94, line 1, at end insert—

“(zi) the UK producers referred to in sub-paragraph (3)(a)(zi) and other producers of goods,”.

*Amendments 117 and 118 make clear that the references to “affected industries” in paragraph 21 of Schedule 5 continue to include the injured UK producers referred to in Amendment 116.*

Amendment 118, page 94, line 2, leave out “producers and”.

*See the explanatory statement for Amendment 117.*

Amendment 100, page 96, line 18, after “a” insert

“provisional tariff rate quota or a”.

*This amendment is consequential on Amendment 85.*

Amendment 101, page 97, leave out lines 24 and 25.

*This amendment is consequential on Amendment 85.*

Amendment 102, page 97, line 29, at end insert—

“‘provisional tariff rate quota’ has the meaning given by paragraph 11(3)(b);”.—(Mel Stride.)

*This amendment is consequential on Amendment 85.*

## Schedule 8

VAT AMENDMENTS CONNECTED WITH WITHDRAWAL  
FROM EU

*Amendment proposed:* 73, page 135, leave out paragraph 14.—(*Craig Mackinlay.*)

*Question put,* That the amendment be made.

*The House divided:* Ayes 303, Noes 300.

**Division No. 213]**

**[10.20 pm**

## AYES

Adams, Nigel  
Afolami, Bim  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Amess, Sir David  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Badenoch, Mrs Kemi  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Bellingham, Sir Henry  
Benyon, rh Richard  
Beresford, Sir Paul  
Berry, Jake  
Blackman, Bob  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Bottomley, Sir Peter  
Bowie, Andrew  
Bradley, Ben  
Bradley, rh Karen  
Brady, Sir Graham  
Braverman, Suella  
Brereton, Jack  
Bridgen, Andrew  
Brine, Steve  
Bruce, Fiona  
Buckland, Robert  
Burghart, Alex  
Burns, Conor  
Burt, rh Alistair  
Cairns, rh Alun  
Campbell, Mr Gregory  
Cartledge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Sir Christopher  
Churchill, Jo  
Clark, Colin  
Clark, rh Greg  
Clarke, Mr Simon  
Cleverly, James  
Clifton-Brown, Sir Geoffrey  
Coffey, Dr Thérèse  
Costa, Alberto  
Courts, Robert  
Cox, rh Mr Geoffrey  
Crouch, Tracey  
Davies, Chris  
Davies, David T. C.  
Davies, Glyn  
Davies, Mims

Davies, Philip  
Davis, rh Mr David  
Dinenage, Caroline  
Docherty, Leo  
Dodds, rh Nigel  
Donaldson, rh Sir Jeffrey M.  
Donelan, Michelle  
Dorries, Ms Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Duddridge, James  
Duguid, David  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellwood, rh Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Mr Nigel  
Evennett, rh Sir David  
Fabricant, Michael  
Fallon, rh Sir Michael  
Field, rh Frank  
Field, rh Mark  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freer, Mike  
Fysh, Mr Marcus  
Gale, Sir Roger  
Garnier, Mark  
Gauke, rh Mr David  
Ghani, Ms Nusrat  
Gibb, rh Nick  
Gillan, rh Dame Cheryl  
Girvan, Paul  
Glen, John  
Goldsmith, Zac  
Goodwill, rh Mr Robert  
Gove, rh Michael  
Graham, Luke  
Graham, Richard  
Grant, Bill  
Grant, Mrs Helen  
Gray, James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Griffiths, Andrew  
Gyimah, Mr Sam  
Hair, Kirstene  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip

Hancock, rh Matt  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Harrison, Trudy  
Hart, Simon  
Hayes, rh Mr John  
Heald, rh Sir Oliver  
Heapey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, rh Damian  
Hoare, Simon  
Hoey, Kate  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Adam  
Howell, John  
Huddleston, Nigel  
Hughes, Eddie  
Hunt, rh Mr Jeremy  
Hurd, rh Mr Nick  
Jack, Mr Alister  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, rh Boris  
Johnson, Dr Caroline  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Keegan, Gillian  
Kennedy, Seema  
Kerr, Stephen  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lamont, John  
Lancaster, rh Mark  
Latham, Mrs Pauline  
Leadsom, rh Andrea  
Lefroy, Jeremy  
Leigh, Sir Edward  
Letwin, rh Sir Oliver  
Lewer, Andrew  
Lewis, rh Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Little Pengelly, Emma  
Lopez, Julia  
Lopresti, Jack  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Maclean, Rachel  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
May, rh Mrs Theresa  
McLoughlin, rh Sir Patrick  
McPartland, Stephen  
McVey, rh Ms Esther

Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalf, Stephen  
Miller, rh Mrs Maria  
Milling, Amanda  
Mills, Nigel  
Mitchell, rh Mr Andrew  
Moore, Damien  
Mordaunt, rh Penny  
Morris, Anne Marie  
Morris, David  
Morris, James  
Morton, Wendy  
Mundell, rh David  
Murray, Mrs Sheryll  
Murrison, Dr Andrew  
Newton, Sarah  
Nokes, rh Caroline  
Norman, Jesse  
O'Brien, Neil  
Offord, Dr Matthew  
Opperman, Guy  
Paisley, Ian  
Parish, Neil  
Patel, rh Priti  
Paterson, rh Mr Owen  
Pawsey, Mark  
Penning, rh Sir Mike  
Penrose, John  
Percy, Andrew  
Perry, rh Claire  
Philp, Chris  
Pincher, Christopher  
Poulter, Dr Dan  
Pow, Rebecca  
Prentis, Victoria  
Prisk, Mr Mark  
Pritchard, Mark  
Pursglove, Tom  
Quin, Jeremy  
Quince, Will  
Raab, rh Dominic  
Redwood, rh John  
Rees-Mogg, Mr Jacob  
Robertson, Mr Laurence  
Robinson, Gavin  
Robinson, Mary  
Rosindell, Andrew  
Ross, Douglas  
Rowley, Lee  
Rudd, rh Amber  
Rutley, David  
Scully, Paul  
Seely, Mr Bob  
Selous, Andrew  
Shannon, Jim  
Shapps, rh Grant  
Sharma, Alok  
Shelbrooke, Alec  
Simpson, David  
Simpson, rh Mr Keith  
Skidmore, Chris  
Smith, Chloe  
Smith, Henry  
Smith, rh Julian  
Smith, Royston  
Soames, rh Sir Nicholas  
Spelman, rh Dame Caroline  
Spencer, Mark  
Stevenson, John  
Stewart, Bob

Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, rh Mel  
 Stringer, Graham  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Vara, Mr Shailesh

Vickers, Martin  
 Villiers, rh Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williamson, rh Gavin  
 Wilson, rh Sammy  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Ayes:**  
**Paul Maynard and**  
**Stuart Andrew**

### NOES

Abbott, rh Ms Diane  
 Ali, Rushanara  
 Allen, Heidi  
 Allin-Khan, Dr Rosena  
 Amesbury, Mike  
 Antoniazzi, Tonia  
 Ashworth, Jonathan  
 Austin, Ian  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Barron, rh Sir Kevin  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Alan  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Burden, Richard  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Douglas  
 Chapman, Jenny  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clarke, rh Mr Kenneth  
 Clwyd, rh Ann  
 Coaker, Vernon

Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crausby, Sir David  
 Crawley, Angela  
 Creagh, Mary  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Daby, Janet  
 Dakin, Nic  
 Davey, rh Sir Edward  
 David, Wayne  
 Davies, Geraint  
 Day, Martyn  
 De Cordova, Marsha  
 De Piero, Gloria  
 Dent Coad, Emma  
 Dhesi, Mr Tanmanjeet Singh  
 Djanogly, Mr Jonathan  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Drew, Dr David  
 Dromey, Jack  
 Duffield, Rosie  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Dame Louise  
 Elmore, Chris  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Fellows, Marion  
 Fitzpatrick, Jim  
 Flint, rh Caroline  
 Frith, James

Furniss, Gill  
 Gaffney, Hugh  
 Gapes, Mike  
 Gardiner, Barry  
 George, Ruth  
 Gethins, Stephen  
 Gibson, Patricia  
 Gill, Preet Kaur  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Grady, Patrick  
 Grant, Peter  
 Gray, Neil  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Grieve, rh Mr Dominic  
 Griffith, Nia  
 Grogan, John  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hammond, Stephen  
 Hanson, rh David  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hill, Mike  
 Hillier, Meg  
 Hobhouse, Wera  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, Diana  
 Jones, Darren  
 Jones, Gerald  
 Jones, Graham P.  
 Jones, Helen  
 Jones, rh Mr Kevan  
 Jones, Sarah  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Killen, Ged  
 Kinnock, Stephen  
 Kyle, Peter  
 Laird, Lesley  
 Lake, Ben  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Law, Chris  
 Lee, Karen  
 Lee, Dr Phillip  
 Leslie, Mr Chris

Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Linden, David  
 Lloyd, Stephen  
 Lloyd, Tony  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marsden, Gordon  
 Martin, Sandy  
 Maskell, Rachael  
 Matheson, Christian  
 Mc Nally, John  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 McMorris, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Monaghan, Carol  
 Moon, Mrs Madeleine  
 Moran, Layla  
 Morden, Jessica  
 Morgan, rh Nicky  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Nandy, Lisa  
 Neill, Robert  
 Newlands, Gavin  
 Norris, Alex  
 O'Hara, Brendan  
 Onasanya, Fiona  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Peacock, Stephanie  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Platt, Jo  
 Pollard, Luke  
 Pound, Stephen  
 Powell, Lucy  
 Qureshi, Yasmin  
 Rashid, Faisal  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Ellie  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Ms Marie

Robinson, Mr Geoffrey  
 Rodda, Matt  
 Rowley, Danielle  
 Ruane, Chris  
 Russell-Moyle, Lloyd  
 Ryan, rh Joan  
 Sandbach, Antoinette  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, Angela  
 Smith, Eleanor  
 Smith, Jeff  
 Smith, Laura  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Snell, Gareth  
 Sobel, Alex  
 Soubry, rh Anna  
 Spellar, rh John  
 Starmer, rh Keir  
 Stephens, Chris  
 Stevens, Jo  
 Stone, Jamie

Streeting, Wes  
 Sweeney, Mr Paul  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, Nick  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Stephen  
 Twist, Liz  
 Umunna, Chuka  
 Vaz, Valerie  
 Walker, Thelma  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitfield, Martin  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Williams, Dr Paul  
 Williamson, Chris  
 Wilson, Phil  
 Wishart, Pete  
 Wollaston, Dr Sarah  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Noes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

*Question accordingly agreed to.*

*Amendment 73 agreed to.*

### Schedule 9

#### EXCISE DUTY AMENDMENTS CONNECTED WITH WITHDRAWAL FROM EU

*Amendment made:* 83, page 165, line 36, at end insert—  
*“Finance Act 2008*

9 In Schedule 41 to the Finance Act 2008 (penalties: failure to notify and certain VAT and excise wrongdoing), in the table in paragraph 1, in the final entry relating to excise duties, for “Article 79 of Council Regulation 2913/92/EEC” substitute “Part 1 of the Taxation (Cross-border Trade) Act 2018”.  
 —(*Mel Stride.*)

*This amendment is consequential on the replacement of EU customs duties by provisions of Part 1 of the bill.*

10.34 pm

*Proceedings interrupted (Programme Order, 8 January).*

*The Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).*

*Question put, That the Bill be now read the Third time.*

*The House divided: Ayes 318, Noes 285.*

**Division No. 214]**

**[10.34 pm**

#### AYES

Adams, Nigel  
 Afolami, Bim  
 Afriyie, Adam  
 Aldous, Peter

Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Argar, Edward

Atkins, Victoria  
 Bacon, Mr Richard  
 Badenoch, Mrs Kemi  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Baron, Mr John  
 Bellingham, Sir Henry  
 Benyon, rh Richard  
 Beresford, Sir Paul  
 Berry, Jake  
 Blackman, Bob  
 Blunt, Crispin  
 Boles, Nick  
 Bone, Mr Peter  
 Bottomley, Sir Peter  
 Bowie, Andrew  
 Bradley, Ben  
 Bradley, rh Karen  
 Brady, Sir Graham  
 Braverman, Suella  
 Brereton, Jack  
 Bridgen, Andrew  
 Brine, Steve  
 Bruce, Fiona  
 Buckland, Robert  
 Burghart, Alex  
 Burns, Conor  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Campbell, Mr Gregory  
 Cartlidge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Chope, Sir Christopher  
 Churchill, Jo  
 Clark, Colin  
 Clark, rh Greg  
 Clarke, rh Mr Kenneth  
 Clarke, Mr Simon  
 Cleverly, James  
 Clifton-Brown, Sir Geoffrey  
 Coffey, Dr Thérèse  
 Costa, Alberto  
 Courts, Robert  
 Cox, rh Mr Geoffrey  
 Crouch, Tracey  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Mims  
 Davies, Philip  
 Davis, rh Mr David  
 Dinage, Caroline  
 Djanogly, Mr Jonathan  
 Docherty, Leo  
 Dodds, rh Nigel  
 Donaldson, rh Sir Jeffrey M.  
 Donelan, Michelle  
 Dorries, Ms Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Duddridge, James  
 Duguid, David  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael

Ellwood, rh Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Mr Nigel  
 Evnnett, rh Sir David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Field, rh Frank  
 Field, rh Mark  
 Ford, Vicky  
 Foster, Kevin  
 Fox, rh Dr Liam  
 Francois, rh Mr Mark  
 Frazer, Lucy  
 Freeman, George  
 Freer, Mike  
 Fysh, Mr Marcus  
 Gale, Sir Roger  
 Garnier, Mark  
 Gauke, rh Mr David  
 Ghani, Ms Nusrat  
 Gibb, rh Nick  
 Gillan, rh Dame Cheryl  
 Girvan, Paul  
 Glen, John  
 Goldsmith, Zac  
 Goodwill, rh Mr Robert  
 Gove, rh Michael  
 Graham, Luke  
 Graham, Richard  
 Grant, Bill  
 Grant, Mrs Helen  
 Gray, James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gyimah, Mr Sam  
 Hair, Kirstene  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, rh Mr Philip  
 Hammond, Stephen  
 Hancock, rh Matt  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harrington, Richard  
 Harris, Rebecca  
 Harrison, Trudy  
 Hart, Simon  
 Hayes, rh Mr John  
 Heald, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hermon, Lady  
 Hinds, rh Damian  
 Hoare, Simon  
 Hoey, Kate  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Adam  
 Howell, John  
 Huddleston, Nigel  
 Hughes, Eddie  
 Hunt, rh Mr Jeremy  
 Hurd, rh Mr Nick

Jack, Mr Alister  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Sir Bernard  
 Jenkyns, Andrea  
 Jenrick, Robert  
 Johnson, rh Boris  
 Johnson, Dr Caroline  
 Johnson, Gareth  
 Johnson, Joseph  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Keegan, Gillian  
 Kennedy, Seema  
 Kerr, Stephen  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lamont, John  
 Lancaster, rh Mark  
 Latham, Mrs Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Leigh, Sir Edward  
 Letwin, rh Sir Oliver  
 Lewer, Andrew  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Liddell-Grainger, Mr Ian  
 Lidington, rh Mr David  
 Little Pengelly, Emma  
 Lopez, Julia  
 Lopresti, Jack  
 Lord, Mr Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Maclean, Rachel  
 Mak, Alan  
 Malthouse, Kit  
 Mann, Scott  
 Masterton, Paul  
 May, rh Mrs Theresa  
 McLoughlin, rh Sir Patrick  
 McPartland, Stephen  
 McVey, rh Ms Esther  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Mitchell, rh Mr Andrew  
 Moore, Damien  
 Mordaunt, rh Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mundell, rh David  
 Murray, Mrs Sheryll  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, rh Caroline  
 Norman, Jesse  
 O'Brien, Neil  
 Offord, Dr Matthew

Opperman, Guy  
 Paisley, Ian  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Sir Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, rh Claire  
 Philp, Chris  
 Pincher, Christopher  
 Poulter, Dr Dan  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, rh Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Ross, Douglas  
 Rowley, Lee  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Seely, Mr Bob  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, David  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, rh Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Spencer, Mark  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, rh Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Syms, Sir Robert  
 Thomas, Derek  
 Thomson, Ross  
 Throup, Maggie  
 Tolhurst, Kelly  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom

Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, rh Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watling, Giles  
 Whately, Helen  
 Wheeler, Mrs Heather  
 Whittaker, Craig

Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williamson, rh Gavin  
 Wilson, rh Sammy  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, Mr William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Ayes:**  
**Paul Maynard and**  
**Stuart Andrew**

## NOES

Abbott, rh Ms Diane  
 Ali, Rushanara  
 Allin-Khan, Dr Rosena  
 Amesbury, Mike  
 Antoniazzi, Tonia  
 Ashworth, Jonathon  
 Austin, Ian  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Barron, rh Sir Kevin  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Black, Mhairi  
 Blackford, rh Ian  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Alan  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Burden, Richard  
 Burgon, Richard  
 Butler, Dawn  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Carden, Dan  
 Carmichael, rh Mr Alistair  
 Champion, Sarah  
 Chapman, Douglas  
 Chapman, Jenny  
 Charalambous, Bambos  
 Cherry, Joanna  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cowan, Ronnie  
 Coyle, Neil  
 Crausby, Sir David  
 Crawley, Angela  
 Creagh, Mary  
 Creasy, Stella

Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Daby, Janet  
 Dakin, Nic  
 Davey, rh Sir Edward  
 David, Wayne  
 Davies, Geraint  
 Day, Martyn  
 De Cordova, Marsha  
 De Piero, Gloria  
 Dent Coad, Emma  
 Dhesi, Mr Tanmanjeet Singh  
 Dodds, Anneliese  
 Doughty, Stephen  
 Dowd, Peter  
 Drew, Dr David  
 Dromey, Jack  
 Duffield, Rosie  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Dame Louise  
 Elmore, Chris  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Fellows, Marion  
 Fitzpatrick, Jim  
 Frith, James  
 Furniss, Gill  
 Gaffney, Hugh  
 Gapes, Mike  
 Gardiner, Barry  
 George, Ruth  
 Gethins, Stephen  
 Gibson, Patricia  
 Gill, Preet Kaur  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Grady, Patrick  
 Grant, Peter  
 Gray, Neil  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Grogan, John  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian

Hanson, rh David  
 Hardy, Emma  
 Harman, rh Ms Harriet  
 Harris, Carolyn  
 Hayes, Helen  
 Hayman, Sue  
 Healey, rh John  
 Hendrick, Sir Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hill, Mike  
 Hillier, Meg  
 Hobhouse, Wera  
 Hodge, rh Dame Margaret  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jardine, Christine  
 Jarvis, Dan  
 Johnson, Diana  
 Jones, Darren  
 Jones, Gerald  
 Jones, Graham P.  
 Jones, Helen  
 Jones, rh Mr Kevan  
 Jones, Sarah  
 Jones, Susan Elan  
 Kane, Mike  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, Afzal  
 Killen, Ged  
 Kinnock, Stephen  
 Kyle, Peter  
 Laird, Lesley  
 Lake, Ben  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 Lavery, Ian  
 Law, Chris  
 Lee, Karen  
 Leslie, Mr Chris  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Linden, David  
 Lloyd, Stephen

Lloyd, Tony  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lynch, Holly  
 MacNeil, Angus Brendan  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Marsden, Gordon  
 Martin, Sandy  
 Maskell, Rachael  
 Matheson, Christian  
 Mc Nally, John  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stewart Malcolm  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 McMorris, Anna  
 Mearns, Ian  
 Miliband, rh Edward  
 Monaghan, Carol  
 Moon, Mrs Madeleine  
 Moran, Layla  
 Morden, Jessica  
 Morgan, Stephen  
 Morris, Grahame  
 Murray, Ian  
 Nandy, Lisa  
 Newlands, Gavin  
 Norris, Alex  
 O'Hara, Brendan  
 Onasanya, Fiona  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Peacock, Stephanie  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget

Platt, Jo  
 Pollard, Luke  
 Pound, Stephen  
 Powell, Lucy  
 Qureshi, Yasmin  
 Rashid, Faisal  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Ellie  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Ms Marie  
 Robinson, Mr Geoffrey  
 Rodda, Matt  
 Rowley, Danielle  
 Ruane, Chris  
 Russell-Moyle, Lloyd  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, Angela  
 Smith, Eleanor  
 Smith, Jeff  
 Smith, Laura  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin

Sobel, Alex  
 Spellar, rh John  
 Starmar, rh Keir  
 Stephens, Chris  
 Stevens, Jo  
 Stone, Jamie  
 Streeting, Wes  
 Sweeney, Mr Paul  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Gareth  
 Thomas-Symonds, Nick  
 Thornberry, rh Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turley, Anna  
 Turner, Karl  
 Twigg, Stephen  
 Twist, Liz  
 Umunna, Chuka  
 Vaz, Valerie  
 Walker, Thelma  
 West, Catherine  
 Western, Matt  
 Whitehead, Dr Alan  
 Whitfield, Martin  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Williams, Dr Paul  
 Williamson, Chris  
 Wilson, Phil  
 Wishart, Pete  
 Yasin, Mohammad  
 Zeichner, Daniel

**Tellers for the Noes:**  
**Vicky Foxcroft and**  
**Thangam Debbonaire**

*Question accordingly agreed to.*

*Bill read the Third time and passed.*

## BUSINESS OF THE HOUSE

*Ordered,*

That, at this day's sitting, the Motion in the name of Andrea Leadsom relating to Business of the House (Today) may be proceeded with, though opposed, until any hour; and Standing Order No. 41A (Deferred divisions) will not apply.—(*Craig Whittaker.*)

## Business of the House

10.50 pm

**The Leader of the House of Commons (Andrea Leadsom):** I beg to move,

That, at this day's sitting, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on the Motions in the name of Andrea Leadsom relating to European Statutory Instruments Committee, Liaison Committee, Positions for which additional salaries are payable for the purposes of section 4A(2) of the Parliamentary Standards Act 2009 and Presentation of documents under paragraph 3(3)(b) or 17(3)(b) of schedule 7 to the European Union (Withdrawal) Act 2018 not later than one hour after the commencement of proceedings on the motion for this Order; such questions shall include the questions on any amendments selected by the Speaker which may then be moved; proceedings may continue, though opposed, after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.

I first put on record my sincere thanks to my hon. Friend the Member for Broxbourne (Mr Walker) and to the Procedure Committee for their careful consideration of the best way to ensure effective scrutiny of Brexit delegated legislation. There has never been a more crucial time for secondary legislation, and the Government are committed to providing the maximum consideration of it to enable our smooth exit from the EU.

The Procedure Committee's report sets out detailed proposals to ensure the effective scrutiny of delegated legislation under—

**Mr Speaker:** Order. The Clerk has swivelled round to advise me. I do not wish to be unkind or unhelpful to the Leader of the House, but I think that she has slightly jumped the gun in that she has got on to the substantive matter, which in fact we have not yet reached. I think that at this stage we just need to have the verdict of the House on the business of the House motion. I think I have interpreted the Clerk correctly. We will come back to the Leader of the House and she will continue her oration momentarily.

*Question put and agreed to.*

## European Statutory Instruments Committee

**Mr Speaker:** With the permission of the House, motions 3 to 6 will be taken together. The debate may therefore range over all four motions. Moreover, I inform the House that I have selected amendment (a), in the name of the right hon. Member for Basingstoke (Mrs Miller), to motion 3. I call the Leader of the House to move motion 3, remembering that of course all these motions are being debated together and therefore she can offer us her thoughts on any or all of them, or any combination.

**Andrea Leadsom:** Thank you Mr Speaker—take 2. I beg to move,

That the following Standing Order shall have effect for the remainder of this Parliament:—

(1) There shall be a select committee, called the European Statutory Instruments Committee, to examine and report on—

- (i) any of the following documents laid before the House of Commons in accordance with paragraph 3(3)(b) or 17(3)(b) of Schedule 7 to the European Union (Withdrawal) Act 2018—
  - (a) a draft of an instrument; and
  - (b) a memorandum setting out both a statement made by a Minister of the Crown to the effect that in the Minister's opinion the instrument should be subject to annulment in pursuance of a resolution of either House of Parliament (the negative procedure) and the reasons for that opinion, and
- (ii) any matter arising from its consideration of such documents.

(2) In its consideration of a document referred to in paragraph 1(i) the committee shall include, in addition to such other matters as it deems appropriate, whether the draft instrument—

- (i) contains any provision of the type specified in paragraph 1(2) or 10(2) of Schedule 7 to the European Union (Withdrawal) Act 2018 in relation to which the Act requires that a draft of the instrument must be laid before, and approved by a resolution of, each House of Parliament (the affirmative procedure);
- (ii) otherwise appears to make an inappropriate use of the negative procedure; and shall report to the House its recommendation of the procedure which should apply.

(3) The committee shall have regard to the reasons offered by the Minister in support of the Minister's opinion that the instrument should be subject to the negative procedure.

(4) Before reporting on any document, the committee shall provide to the government department concerned an opportunity to provide orally or in writing to it or any subcommittee appointed by it such further explanations as the committee may require except to the extent that the committee considers that it is not reasonably practicable to do so within the period provided by the Act.

(5) It shall be an instruction to the committee that it shall report any recommendation that the affirmative procedure should apply within the period specified by the Act.

(6) The committee shall consist of sixteen Members.

(7) The committee and any sub-committees appointed by it shall have the assistance of the Counsel to the Speaker.

(8) The committee shall have power to appoint specialist advisers either to supply information which is not readily available or to elucidate matters of complexity within the committee's order of reference.

(9) The committee shall have power to send for persons, papers and records, to sit notwithstanding any adjournment of the House, to adjourn from place to place, and to report from time to time.

(10) The committee shall have power to appoint sub-committees and to refer to such sub-committees any of the matters referred to the committee.

(11) Each such sub-committee shall have power to send for persons, papers and records, to sit notwithstanding any adjournment of the House, to adjourn from place to place, and to report to the committee from time to time.

(12) The committee shall have power to report from time to time the evidence taken before such sub-committees, and the formal minutes of sub-committees.

(13) The quorum of each such sub-committee shall be two.

(14) The committee shall have power to seek from any committee of the House, including any committee appointed to meet with a committee of the Lords as a joint committee, its opinion on any document within its remit, and to require a reply to such a request within such time as it may specify.

(15) Unless the House otherwise orders each Member nominated to the committee shall continue to be a member of it for the remainder of the Parliament, or until this Standing Order lapses, whichever occurs sooner.

(16) This Standing Order, to the extent that it relates to a regulation-making power provided to the Government under sections 8, 9 or 23(1) of the European Union (Withdrawal) Act 2018, shall lapse upon the expiry of the power to make new regulations under those sections and shall lapse entirely upon expiry of the last such remaining power.

**Mr Speaker:** With this we shall consider the following:

**Motion 4—*Liaison Committee***—

That the Order of the House of 6 November 2017 (*Liaison Committee: Membership*) be amended, in the second paragraph, by inserting, in the appropriate place, “European Statutory Instruments”.

**Motion 5—*Additional Salaries***—

That the Order of the House of 19 March 2013 (*Positions for which additional salaries are payable for the purposes of section 4A(2) of the Parliamentary Standards Act 2009*) be amended, in paragraph (1)(a), by inserting, in the appropriate place, “the European Statutory Instruments Committee”.

**Motion 6—*European Union Withdrawal (Documents)***—

That where, under Paragraph 3(3)(b) or 17(3)(b) of Schedule 7 to the European Union (Withdrawal) Act 2018, any document is to be laid before this House, the delivery of a copy of the document to the Votes and Proceedings Office on any day during the existence of a Parliament shall be deemed to be for all purposes the laying of it before the House; and the proviso to Standing Order No. 159 shall not apply to any document laid in accordance with this Order.

**Andrea Leadson:** I first put on record my sincere thanks to my hon. Friend the Member for Broxbourne (Mr Walker) and the Procedure Committee for their careful consideration of the best way to ensure effective scrutiny of Brexit delegated legislation. There has never been a more crucial time for secondary legislation, and this Government are committed to providing the maximum consideration of it to enable our smooth exit from the EU.

The Procedure Committee’s report sets out detailed proposals to ensure the effective scrutiny of delegated legislation under the European Union (Withdrawal) Act 2018, which received Royal Assent on 26 June 2018. Following the Committee’s interim report of 1 November 2017, the Chair of the Procedure Committee tabled amendments to the withdrawal Bill in Committee of the whole House that the House accepted without Division. I subsequently tabled draft motions on the Order Paper to give as much notice of the potential Standing Order changes as possible.

Following the launch of its inquiry in September 2017, the Committee took evidence from a range of parties, including me in May. I pay tribute to the members of the Committee and thank them for taking the time to input into this important new procedure.

In its report last week, the Procedure Committee set out its final recommendations, including updated proposed Standing Orders for a new Committee—the European Statutory Instruments Committee. As the Procedure Committee set out, the new Committee’s remit will be to examine each Government proposal for a negative procedure statutory instrument and to recommend whether it should be upgraded to the affirmative procedure, whereby the proposed legislation has to be approved by a vote of both Houses.

The report published last Monday includes a carefully considered set of recommendations for how the new Committee should function, together with a number of factors that the new Committee may want to consider when deciding whether the instrument ought to be subject to the affirmative procedure. It will be for the Committee to take forward that work, but I commit that the Government will work constructively and closely with the new Committee’s members and staff to ensure that it functions as effectively as possible. I have noted the suggestion that the European Statutory Instruments Committee should not be expected to make a substantive report with recommendations until the September sitting at the earliest.

The Government confirmed in a written statement on 4 July that the Government

“will not lay negative statutory instruments requiring sifting until the necessary procedures for establishing the new Committee in the Commons and the expansion of the remit of the House of Lords’ Secondary Legislation Scrutiny Committee are concluded. However, the Government is starting to publish final drafts of the negative statutory instruments that require sifting (‘proposed negatives’) on Gov.uk as they are ready. This is to increase transparency and to allow Parliament and the public to have early sight of the forthcoming legislation.”

I would also like to take this opportunity to assure the House that, where a Minister does not agree with the recommendations of the Committee, the Minister will be prepared to appear in front of the Committee to clarify the rationale for that.

I turn to amendment (a), which was tabled by my right hon. Friend the Member for Basingstoke (Mrs Miller) and other members of the Commons Reference Group on Representation and Inclusion. Let me start by saying that I have great sympathy for what is proposed. It is absolutely right that we do all we can to encourage equal representation in the decisions that the House takes. It is important, however, that we recognise that the amendment would result in the European Statutory Instruments Committee being the only Committee subject to rules on the gender of its members.

The effect of the amendment would be that, whenever a vacancy became available on the Committee, only a Member of the same gender as the Member who had left the Committee would be eligible to join it. Some might consider that there is a risk of such a move creating difficulties with maintaining full membership, particularly for the smaller parties, if appropriate candidates are not forthcoming. I am sure that each party has seen the amendment and will want to do what it can to ensure a good gender balance when selecting its membership of the Committee, but the amendment, although it has my personal support, is for the House to decide upon.

[*Andrea Leadsom*]

The new Committee will play an important role in the coming months, and provided that the proposed changes to Standing Orders are agreed, I look forward to charting its progress. I commend the motions to the House.

10.58 pm

**Mrs Maria Miller** (Basingstoke) (Con): It is a great pleasure to speak in support of not only motion 3, but amendment (a), to which my right hon. Friend the Leader of the House referred. I speak on behalf of a number of Members from all parties, including the smaller parties to which she referred. It is important to look at not only the work of the new Committee, but its make-up. Before I do that, however, let me commend the work of the Procedure Committee and my right hon. Friend, because this must be one of the most important Committees that Parliament has set up in recent times.

It is right that we think about the make-up of the Committee as well as its function. The amendment would ensure that the Committee had balanced representation. It is widely felt that it is important that we have balance when it comes to talking about all things to do with Brexit, and the amendment could be a way of putting that rhetoric into practice. Indeed, evidence given to the Women and Equalities Committee about the role of women in Parliament underlined all parties' support for ensuring that women play an active role in all aspects of parliamentary life. My right hon. Friend the Member for Derbyshire Dales (Sir Patrick McLoughlin) told the Committee, rightly, that Parliament would be a better place if 50% of MPs were women. I think that nothing could be better than ensuring that 50% of the members of this Committee are women, because it will be considering issues of profound importance to the future of our country.

We spend a lot of time in this place telling businesses the importance of having more women on boards and reporting on their gender pay gap, for example. We ask them to do a lot of things that they might think we are not prepared to do here. Following the advice of "The Good Parliament" guide—it was written a number of years ago but is still a bible for reforming this place—I ask Members from all parties to support this small step, which would ensure female representation on the Committee from day one. I gently remind Members that that was not the case for the membership of a number of Select Committees at the beginning of this Parliament, so to assume that that will happen does not necessarily reflect what happened in the past.

11.1 pm

**Peter Grant** (Glenrothes) (SNP): I am happy to accept most of what the Leader of the House said and I am inclined to support the amendment. I hope that the House will forgive many of us on the Opposition Benches if we first want to see all these assurances of fair play put into practice, because many such assurances have not been, in the case of the European Union (Withdrawal) Bill and associated legislation. We will take the Government at their word just now, but we will be watching carefully not only what goes to the Committee, but what does not. We will be holding the Government firmly to account.

With regard to the amendment, I understand the Government's reluctance to set a precedent. We must recognise that because this Parliament is nowhere near gender-balanced, we will have a problem if we try to make all its Committees gender-balanced, because women MPs would have to do the work of two men MPs. Well, a lot of people might suggest—[*Interruption.*] You're getting ahead of me, as Ronnie Corbett used to say. That would create difficulties if it was applied to every Committee at once, but why not introduce such a measure, one Committee at a time, to see how it works?

I am intrigued by the Leader of the House's concern that there might be times when nobody of the correct gender puts themselves forward for membership of the Committee. That implies that Members volunteer for Committees, rather than simply being told by their party Whips which ones they will be members of—I will need to have words with my own party Whip about that in the future. The proposal does not work for smaller parties, however, because if a smaller party has only one place on a Committee, that Member will, generally speaking, be either 100% male or 100% female. However, the bigger parties will have more members of the Committee, and a much bigger number of MPs to draw from. I would be concerned if no men or no women from either of the two largest parties in the House were willing to put in what looks like a fairly modest time commitment to ensure that secondary legislation for Brexit is scrutinised properly.

There is no issue with the fact that Brexit will involve a lot of secondary legislation, but there is a major issue with some of the things that the Government intend to use that secondary legislation for. I would have thought that anyone who is interested in ensuring that this House tells the Government what to do, rather than the other way around, would also ensure that no party would struggle to find Members to take up places on the Committee.

I ask the Leader of the House to reconsider her opposition to the amendment. We should be looking to introduce the principle of gender balance in fairly minor ways, over time, especially when there are those who say that it is not possible to do it all in one go. With that slight caveat, we will support the motion, but we will be watching carefully what happens to the Government's assurances in the coming months.

11.4 pm

**Mr William Wragg** (Hazel Grove) (Con): Little did I realise that the motion on the European Statutory Instruments Committee would attract so much attention at this time of the evening. It was surely the main reason why we all trundled down to attend Parliament today.

I welcome what my right hon. Friend the Leader of the House said, and as a member of the Procedure Committee, I can say that it was a great pleasure for me to take evidence from her, the shadow Leader of the House and many representatives from different parties. The proposal that the Procedure Committee came up with was extremely laudable, and I believe that it was welcomed as a cross-party amendment to the repeal Bill in Committee.

However, I am afraid that I must object to amendment (a), because it is politically correct codswallop. I am concerned about setting a precedent for quotas. As a Conservative, I have always opposed quotas. As a

gay man, I ask why there is no mention of representation of LGBT Members. Why do Scottish National party Members not object to the lack of a requirement for regional representation? Why, dare I ask, is there no mention of the age profiles of Members? I do not see how somebody's gender improves their ability to scrutinise secondary legislation. Although it is right that everybody should be encouraged, the amendment states

“at least seven shall be women”.

Why cannot there be a Committee that consists entirely of women? What would be wrong with that, if that was the will of the House and those Members wished to put themselves forward?

**David Linden** (Glasgow East) (SNP): Will the hon. Gentleman give way?

**Mr Wragg**: Only because the hon. Gentleman was on the Procedure Committee.

**David Linden**: Are there any past examples of a Committee of the House of which all the members were men?

**Mr Wragg**: There may well be—[*Interruption.*] The hon. Gentleman may be better furnished with the facts at this late hour than I am. As a member of the Education Committee, I am in the minority in many ways, because its membership is seven women and four men. Indeed, the Committee that my right hon. Friend the Member for Basingstoke (Mrs Miller) chairs consists of eight women and three men.

**Mrs Miller**: My hon. Friend is making an eloquent argument, but he may want to observe that women are not a minority; we are a majority in this country. We are simply trying to have a level playing field.

**Mr Wragg**: A level playing field can be achieved without quotas. With that, I conclude my remarks and object to the amendment.

*Amendment proposed*: (a), in paragraph (6), at end add ‘of whom at least seven shall be women and at least seven shall be men.’.—(Mrs Miller.)

*Question put*, That the amendment be made.

*The House divided*: Ayes 57, Noes 53.

## Division No. 215]

[11.7 pm

### AYES

Ashworth, Jonathan	Fellows, Marion
Blackford, rh Ian	Ford, Vicky
Blomfield, Paul	Gardiner, Barry
Brown, rh Mr Nicholas	Garnier, Mark
Bryant, Chris	Gauke, rh Mr David
Burton, Richard	Glendon, Mary
Burt, rh Alistair	Grady, Patrick
Cairns, rh Alun	Grant, Peter
Cameron, Dr Lisa	Harman, rh Ms Harriet
Campbell, rh Mr Alan	Harrington, Richard
Carmichael, rh Mr Alistair	Jones, Graham P.
Cooper, Rosie	Keegan, Gillian
Cox, rh Mr Geoffrey	Kyle, Peter
Coyle, Neil	Leadsom, rh Andrea
Davies, Mims	Lewis, rh Brandon
Doughty, Stephen	Lewis, Mr Ivan
Dromey, Jack	Lucas, Caroline

Masterton, Paul  
McDonagh, Siobhain  
McDonald, Stuart C.  
McGinn, Conor  
McMorrin, Anna  
Moran, Layla  
Nandy, Lisa  
Offord, Dr Matthew  
Reynolds, Jonathan  
Russell-Moyle, Lloyd  
Shannon, Jim  
Sharma, Alok  
Smith, Laura

Sobel, Alex  
Stephens, Chris  
Sweeney, Mr Paul  
Thewliss, Alison  
Twist, Liz  
Vaz, Valerie  
Western, Matt  
Wheeler, Mrs Heather  
Williams, Dr Paul  
Wilson, Phil

**Tellers for the Ayes:**  
**Mrs Maria Miller and**  
**David Linden**

### NOES

Afriyie, Adam  
Argar, Edward  
Baker, Mr Steve  
Bradley, Ben  
Brady, Sir Graham  
Bruce, Fiona  
Burns, Conor  
Caulfield, Maria  
Chope, Sir Christopher  
Davies, Philip  
Dodds, rh Nigel  
Donaldson, rh Sir Jeffrey M.  
Donelan, Michelle  
Dorries, Ms Nadine  
Drax, Richard  
Duddridge, James  
Duncan, rh Sir Alan  
Dunne, Mr Philip  
Field, rh Mark  
Foster, Kevin  
Fysh, Mr Marcus  
Gale, Sir Roger  
Goodwill, rh Mr Robert  
Grant, Bill  
Hall, Luke  
Hancock, rh Matt  
Hands, rh Greg  
Hayes, rh Mr John  
Hollobone, Mr Philip

Jayawardena, Mr Ranil  
Jenkin, Sir Bernard  
Jenrick, Robert  
Jones, Andrew  
Kerr, Stephen  
Lefroy, Jeremy  
Leigh, Sir Edward  
Lord, Mr Jonathan  
Loughton, Tim  
Mackinlay, Craig  
Mak, Alan  
McVey, rh Ms Esther  
Merriman, Huw  
Mills, Nigel  
Offord, Dr Matthew  
Philp, Chris  
Pursglove, Tom  
Rosindell, Andrew  
Stewart, Bob  
Swayne, rh Sir Desmond  
Syms, Sir Robert  
Tomlinson, Michael  
Villiers, rh Theresa  
Wheeler, Mrs Heather  
Wragg, Mr William

**Tellers for the Noes:**  
**Andrew Bridgen and**  
**Bob Blackman**

*Question accordingly agreed to.*

*Main Question, as amended, put and agreed to.*

*Ordered,*

That the following Standing Order shall have effect for the remainder of this Parliament:—

(1) There shall be a select committee, called the European Statutory Instruments Committee, to examine and report on—

- (i) any of the following documents laid before the House of Commons in accordance with paragraph 3(3)(b) or 17(3)(b) of Schedule 7 to the European Union (Withdrawal) Act 2018—
  - (a) a draft of an instrument; and
  - (b) a memorandum setting out both a statement made by a Minister of the Crown to the effect that in the Minister's opinion the instrument should be subject to annulment in pursuance of a resolution of either House of Parliament (the negative procedure) and the reasons for that opinion, and
- (ii) any matter arising from its consideration of such documents.

(2) In its consideration of a document referred to in paragraph 1(i) the committee shall include, in addition to such other matters as it deems appropriate, whether the draft instrument—

- (i) contains any provision of the type specified in paragraph 1(2) or 10(2) of Schedule 7 to the European Union (Withdrawal) Act 2018 in relation to which the Act requires that a draft of the instrument must be laid before, and approved by a resolution of, each House of Parliament (the affirmative procedure);
- (ii) otherwise appears to make an inappropriate use of the negative procedure; and shall report to the House its recommendation of the procedure which should apply.

(3) The committee shall have regard to the reasons offered by the Minister in support of the Minister's opinion that the instrument should be subject to the negative procedure.

(4) Before reporting on any document, the committee shall provide to the government department concerned an opportunity to provide orally or in writing to it or any subcommittee appointed by it such further explanations as the committee may require except to the extent that the committee considers that it is not reasonably practicable to do so within the period provided by the Act.

(5) It shall be an instruction to the committee that it shall report any recommendation that the affirmative procedure should apply within the period specified by the Act.

(6) The committee shall consist of sixteen Members of whom at least seven shall be women and at least seven shall be men.

(7) The committee and any sub-committees appointed by it shall have the assistance of the Counsel to the Speaker.

(8) The committee shall have power to appoint specialist advisers either to supply information which is not readily available or to elucidate matters of complexity within the committee's order of reference.

(9) The committee shall have power to send for persons, papers and records, to sit notwithstanding any adjournment of the House, to adjourn from place to place, and to report from time to time.

(10) The committee shall have power to appoint sub-committees and to refer to such subcommittees any of the matters referred to the committee.

(11) Each such sub-committee shall have power to send for persons, papers and records, to sit notwithstanding any adjournment of the House, to adjourn from place to place, and to report to the committee from time to time.

(12) The committee shall have power to report from time to time the evidence taken before such sub-committees, and the formal minutes of sub-committees.

(13) The quorum of each such sub-committee shall be two.

(14) The committee shall have power to seek from any committee of the House, including any committee appointed to meet with a committee of the Lords as a joint committee, its opinion on any document within its remit, and to require a reply to such a request within such time as it may specify.

(15) Unless the House otherwise orders each Member nominated to the committee shall continue to be a member of it for the remainder of the Parliament, or until this Standing Order lapses, whichever occurs sooner.

(16) This Standing Order, to the extent that it relates to a regulation-making power provided to the Government under sections 8, 9 or 23(1) of the European Union (Withdrawal) Act 2018, shall lapse upon the expiry of the power to make new regulations under those sections and shall lapse entirely upon expiry of the last such remaining power.

### LIAISON COMMITTEE

*Ordered,*

That the Order of the House of 6 November 2017 (Liaison Committee: Membership) be amended, in the second paragraph, by inserting, in the appropriate place, "European Statutory Instruments".—(*Andrea Leadsom.*)

### ADDITIONAL SALARIES

*Ordered,*

That the Order of the House of 19 March 2013 (Positions for which additional salaries are payable for the purposes of section 4A(2) of the Parliamentary Standards Act 2009) be amended, in paragraph (1)(a), by inserting, in the appropriate place, "the European Statutory Instruments Committee".—(*Andrea Leadsom.*)

### EUROPEAN UNION WITHDRAWAL (DOCUMENTS)

*Ordered,*

That where, under Paragraph 3(3)(b) or 17(3)(b) of Schedule 7 to the European Union (Withdrawal) Act 2018, any document is to be laid before this House, the delivery of a copy of the document to the Votes and Proceedings Office on any day during the existence of a Parliament shall be deemed to be for all purposes the laying of it before the House; and the proviso to Standing Order No. 159 shall not apply to any document laid in accordance with this Order.—(*Andrea Leadsom.*)

### Business without Debate

#### DELEGATED LEGISLATION

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### EUROPEAN UNION

That the draft European Union (Definition of Treaties) (Comprehensive and Enhanced Partnership Agreement) (Armenia) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the draft European Union (Definition of Treaties) (Association Agreement) (Central America) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the draft European Union (Definition of Treaties) (Political Dialogue and Cooperation Agreement) (Cuba) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the draft European Union (Definition of Treaties) (Strategic Partnership Agreement) (Canada) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the draft European Union (Definition of Treaties) (Framework Agreement) (Australia) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

That the draft European Union (Definition of Treaties) (Partnership Agreement on Relations and Cooperation) (New Zealand) Order 2018, which was laid before this House on 4 June, be approved.—(*Mims Davies.*)

*The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 18 July (Standing Order No. 41A).*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### ELECTRICITY

That the draft Contracts for Difference (Miscellaneous Amendments) Regulations 2018, which were laid before this House on 6 June, be approved.—(*Mims Davies.*)

*Question agreed to.*

#### USE OF CHAMBER (WOMEN MPS OF THE WORLD CONFERENCE)

*Motion made,*

That this House welcomes the events organised to celebrate women's suffrage and to mark the centenary of the Representation of the People Act 1918; recognises that the Women MPs of the World Conference provides a unique opportunity to gather parliamentarians from across the world to engage in discussions about equal representation and bring about social change; and accordingly resolves that delegates participating in the Women MPs of the World Conference should be allowed to make use of the Chamber of this House on a day in November other than a day on which this House is sitting or a day on which the UK Youth Parliament is making use of the Chamber.—(*Mims Davies.*)

**Hon. Members:** Object.

#### PETITIONS

##### Home Education: draft guidance and consultation

11.20 pm

**Maria Caulfield** (Lewes) (Con): I rise to present a petition on behalf of residents in the Lewes constituency.

The petition states:

The petition of residents of Lewes,

Declare that the "Home Education - Call for Evidence and revised DfE guidance" has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.

[P002215]

**Sir Desmond Swayne** (New Forest West) (Con): This is the petition of Mrs Melanie Ealing and constituents of New Forest West, who similarly complain that the home education community was not properly consulted and similarly requests

that the House of Commons urges the Government to withdraw the draft guidance and the consultation.

*Following is the full text of the petition:*

*[The petition of residents of the New Forest West,*

*Declare that the "Home Education - Call for Evidence and revised DfE guidance" has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.*

*The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.*

*And the petitioners remain, etc. ]*

[P002207]

## Whole Company Pay Policy

*Motion made, and Question proposed, That this House do now adjourn.—(Mims Davies.)*

11.22 pm

**Siobhain McDonagh** (Mitcham and Morden) (Lab): I start by placing on the record the fact that as of last month I am the owner of a single share in Sainsbury's. It was my golden ticket to attending its annual general meeting earlier this week—but more about that parallel universe experience later in my speech.

First, I turn to fat cat Thursday. By lunchtime on Thursday 4 January, the top chief executives in the UK had earned more than their average employees would over the course of the entire year. The chief executives of FTSE 100 companies earn an eye-watering £898 per hour, which results in astronomical figures more like telephone numbers than salaries. I have no qualms about those at the top being paid well. I am not calling for a salary cap or a widespread cut to chief executives' pay. My call is far simpler: for consistency, parity and fairness, for the importance of the contribution of those at the bottom being recognised in tandem with the contribution of those at the top. Put simply, I am calling for organisations to determine the pay and reward schemes of all their employees in one whole company pay policy.

I would like to discuss the common themes of pay ratios, remuneration committees and the living wage—the most wonderful of ideas that is disappointingly littered with loopholes. I would also like to bring to the attention of the House and the Minister an organisation that, in my opinion, epitomises all that is wrong when a company does not have a whole company pay policy. But let us start with pay ratios.

In 2002, the pay of a FTSE 100 CEO was an extortionate 79 times that of their average employee. Fast forward 16 years to 2018, and it has sky rocketed to 150 times. Let me put that into perspective. These are chief executives who are paid an estimated 132 times more than a police officer, 140 times more than a teacher, 165 times more than a nurse, and an astronomical 312 times more than a care worker. I am in no position to prescribe the highest acceptable pay ratio, but there can surely be no doubt in anyone's mind that those ratios are unacceptable, unjust and unfair.

Of course, there have been some developments in public policy. From 1 July 2019, companies with more than 250 employees will be obliged to reveal and justify their pay ratios. That can only be a good thing, because it will directly pressure the companies with the most extreme pay ratios to explain and to change them.

**Jim Shannon** (Strangford) (DUP): I thank the hon. Lady for raising such an important issue, at a very late hour. Does she agree that, while raising pay scales sounds good, the fact that people are no longer paid for breaks, and the fact that other bonus schemes no longer operate, means less in the pockets of workers? Does she agree that such contracts should no longer be forced on any existing staff, at Sainsbury's or, indeed, anywhere else?

**Siobhain McDonagh:** I completely agree. The downside of the living wage is that companies have often sought to recoup some of their funds by reducing the conditions of long-standing members of staff.

Can the Minister explain how the Government intend to determine correctly the pay ratios of companies that outsource their low-paid roles to look more equal than they actually are and what mechanisms the Government intend to introduce to ensure that such extreme ratios do not occur in the first place? May I suggest that he note the example of Sweden—which, incidentally, is ranked one of the happiest countries in the world—where companies with big pay gaps face fines if they fail to close them?

It is not just extortionate salaries that generate these unjust pay ratios, but extraordinary incentive schemes, often reserved for those who sit at the very top of organisations. The Companies Act 2006 made it clear that non-executive board members were responsible for all stakeholders, rather than just for shareholders, and that, of course, includes all staff. However, it is still commonplace for many organisations to fail to recognise that company performance is based on the contribution of all staff, not just those at the very top. I have no problem with the retention of incentive pay for executives, but such incentive schemes should be available to all staff on the same terms. Why should any organisation have a rule for some employees that is not a rule for all?

In December 2017, the Financial Reporting Council produced its proposed revisions of the UK corporate governance code, requiring remuneration committees to

“oversee remuneration and workforce policies and practices, taking these into account when setting the policy for director remuneration.”

That seems to me to be a common-sense way of providing sensible alignment between workforce and executive pay. It is a straightforward, practical, whole company pay policy.

The need for such a policy becomes all the clearer when we consider exploitative “pay between assignment” contracts. The theory behind such contracts is a guarantee of a basic level of pay when an agency worker is between assignments and thus out of work, but, in reality, staff are often kept on the contracts even when they have been working in the same job for years without such a gap “between assignments”. Let us take, for example, an Argos distribution centre where agency staff earn £7.50 an hour, while core staff can earn up to £11.86 per hour—63% more than their agency counterparts—despite performing exactly the same role with the same responsibilities and despite having worked at the organisation for the same length of time. Repealing these contracts has been continuously recommended by parliamentary Committees and even the Taylor report. I understand that the Government are currently deciding whether to subject these contracts to greater enforcement, but I completely agree with the Communication Workers Union that the need instead is for these contracts to be abolished once and for all.

Then there is the issue of the national living wage, referred to by the hon. Member for Strangford (Jim Shannon). In theory it is an excellent idea, but in practice it is a deceptive tool used by some of the biggest organisations to cut terms, conditions and salaries. When it was introduced, former Chancellor George Osborne declared that Britain would get a pay rise. The infuriating reality is that a huge number of high-profile organisations have instead used its introduction to save funds by negatively impacting their most long-standing staff—their basic salary goes up, but to the detriment of

the rest of their working conditions. These organisations should be named and shamed: I am referring to the likes of Marks & Spencer, B&Q, Zizzi, Ginsters, Le Pain Quotidien, Caffè Nero and countless others that have sought legislative loopholes against the spirit of the law.

Put simply, there should be more fairness. If someone is promised a pay rise, they should receive a pay rise. Organisations can dress it up however they like, but we, as politicians of all parties, need to call it out. That is exactly what I am doing today.

I have called this debate because I believe I have found an organisation that epitomises all the problems I have described so far, and more. Since 1869, Sainsbury's has been a pillar of the great British high street. Over 148 years, it has established a reputation as a leading retailer that looks after, and out for, its colleagues and customers. But the organisation's lack of a whole company pay policy has led to the most disgraceful discrepancies, whereby new contracts will see thousands of shop-floor staff have their salaries slashed while senior staff take home bonuses worth hundreds of thousands of pounds. If shop-floor staff do not sign these unscrupulous new contracts, they will be forced to resign. Here is the reality: 9,000 loyal and long-standing Sainsbury's staff will see their wages fall by up to £3,000 per year by 2020. They will lose their paid breaks; their Sunday premium pay will be removed; the nightshift will be shortened; and their bonus scheme will go.

Some might argue that this is an unavoidable cost-cutting exercise for a key player in the struggling retail sector. Sainsbury's itself argues that it is an exercise in fairness, ensuring that all colleagues doing the same role are paid the same. But I would argue that this is an organisation crying out for a whole company pay policy owing to those at the top being treated independently from those at the bottom. Either that, or I have misunderstood the definition of fairness, because while Sainsbury's has scrapped the bonus scheme for its shop-floor staff, it has, astonishingly, awarded an eye-watering bonus of £427,000 to CEO Mike Coupe as part of his £3.4 million pay packet. No wonder he sings "We're in the money."

But this is no laughing matter. Many of these 9,000 staff have given decades of dedication to this organisation and tell me that they simply cannot afford to continue working there. While their salaries crumble, their bills, their mortgages and their rent are all still the same at the end of each month. I wonder if Sainsbury's remuneration committee gave even a moment's thought to these staff when they signed off their executive bonuses. Losing up to £3,000 per year might not seem like much to Mr Coupe when his pay packet equates to his taking home over three times that amount every single day, but for the thousands of staff losing out and their families every penny really does count.

I have done all I possibly can to raise the case of these staff with the Sainsbury's board, which I expected, at the very least, to show some regret at the despair it is causing. Mr Deputy Speaker, I will let you be the judge of how regretful they are. Take the meeting I had with Rebecca Reilly, group head of communications, and Simon Roberts, retail and operations director, where I was astonished to hear the most long-standing colleagues who are losing thousands of pounds a year described as "anomalies". Or take chief executive officer Mike Coupe, who, after his recent bruising session with the Business,

Energy and Industrial Strategy Committee, refused to speak to me and raced away down the Portcullis House corridor. Or take the chaotic scenes at Sainsbury's annual general meeting where, I am bewildered to report, my every move was followed by two senior Sainsbury's staff.

After the meeting, I decided to use the opportunity to speak directly to the board members. This was their chance to justify their decision to me in person. Can you imagine how furious I was to see them hurried out of the room as I approached, surrounded by colleagues acting like bodyguards? I do not think I am scary, and I certainly do not think I am significant, but Sainsbury's shop floor staff are significant and Sainsbury's should be absolutely ashamed of the disgraceful disloyalty that they are showing these staff. Take Michelle, who has worked at Sainsbury's for more than 20 years and stands to lose over £1,000 a year. She says that she has always loved her job, worked with amazing colleagues and been a proud and loyal employee for a good employer. That is why she found it so hard to speak out. Her petition on change.org has now been signed by 125,000 colleagues and customers from across the country.

Or take Mr and Mrs Wilson, who have given over three decades of service to Sainsbury's between them and yet anticipate that they will lose almost £6,000 a year as a family. Or, finally, take Mrs Taylor, who works in one of the 150 branches of Argos that are now located inside Sainsbury's stores. Once the new contracts are introduced, Mrs Taylor can expect her hourly pay to be £1.20 less than that of her Sainsbury's colleagues, despite working in the same store. That is what makes Sainsbury's insistence that this is an operation in fairness so much less believable.

Could the need for a whole company pay policy be any clearer? What is needed is a policy where the pay for all staff is decided collectively at one point in time by one committee in the organisation. The consultation on these new contracts at Sainsbury's is coming to a close. Hundreds of MPs have signed letters of support, and thousands upon thousands of colleagues and customers have spoken out. Even the Prime Minister has expressed concern. Perhaps the only hope left for these loyal staff members is a strong statement of support from the Minister this evening.

After a hard day's work, the very least that an employee deserves is to take home a fair wage that is proportionate to that of their colleagues. Without a whole company pay policy, organisations such as Sainsbury's can justify treating each level of their staff hierarchy independently and rewarding the minority at the top at the expense of those at the bottom. The damaging decomposition of workers' rights under this Government has been widely felt. The enforcement of whole company pay policies would be the first step back to a country where hard-working employees can expect to receive a fair deal at work.

11.38 pm

**The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington):** I congratulate the hon. Member for Mitcham and Morden (Siobhain McDonagh) on securing this evening's debate. This is an important subject, and I commend her passion and her extensive campaigning on behalf of lower-paid workers in our economy. However, I know that she

[Richard Harrington]

wants more than to be commended by me; she wants answers to her questions. I shall do my best to provide them. I recognise, and sympathise with, her view that executive pay in this country too often seems to exist in a bubble that is disconnected from the pay and experiences of ordinary working people.

I accept the hon. Lady's numbers. We saw a staggering quadrupling in the average pay of FTSE 100 chief executive officers from the late 1990s to 2011 from just under £1 million a year to more than £4 million. I think that this has been imported from America, where the differences are even larger. Executive pay levels have largely stabilised since then, but shareholders and the wider society have increasingly questioned how such dramatic levels of reward can be justified, both in terms of individual performance and in relation to a company's pay policy as a whole. The Government share that concern. We are not against CEOs being well paid for doing what is certainly a hugely demanding and important job. We accept that they have a lot of responsibility. For example, if part-time workers are included, Sainsbury's has 180,000 people, and any one person who is responsible for 180,000 people certainly deserves rewarding well. I do not think that anyone would dispute that.

**Jim Shannon:** The point that the hon. Lady made with passion is that workers who have given effort, commitment and loyalty to a firm should be rewarded. The whole workforce should be rewarded, not just one person.

**Richard Harrington:** I absolutely agree, but pay is earned for several reasons. Hard work is definitely one of them. I am not comparing ourselves, but we are all here at 11.40 pm, so no one could say that we are not working hard. The dispute would come from the second reason for pay, which is how well someone is working and the their responsibilities. I would not ask the hon. Gentleman to intervene to say how well he thinks I am doing, but I certainly know that he and the hon. Member for Mitcham and Morden do a good job. I am not making light of the situation; I mean that reward is partly based on how well someone is doing and partly on how hard they work, but part of it is about responsibility. We would all agree that chief executives have a lot of responsibility, and they should not have job security because they are putting themselves on the line for workers, shareholders, banks or whomever it might be. This is a question of extent and of how much reward is performance related and how much of it is a basic salary. I hope that the hon. Member for Mitcham and Morden and the hon. Member for Strangford (Jim Shannon) do not think that I am trying to make light of this, because there is a significant issue here.

We may disagree on this, but I think the answer lies with transparency and accountability in how executive pay is set and in how it fits with wider employee pay and incentives. The Government have introduced major reforms on executive pay, and the first package in 2013 and the second package approved by Parliament just last week are important. The 2013 reforms compelled quoted companies to disclose each year the total pay and benefits of their CEOs and directors and to explain how that relates to company and individual performance. For the first time—this is important—we gave shareholders

a legally binding vote on a company's executive pay policy, with which all payments to directors must comply. Taken together, the two reforms have forced companies to be much more rigorous and transparent in their approach to executive pay.

However, more needed to be done, in particular to increase transparency and accountability in how pay at the top relates to pay and reward across the rest of the company. It is vital that companies demonstrate cohesion and a comprehensible line of sight between executive pay and the pay of other employees. They are all part of the company, and part of its success, and a confident organisation should be willing and able to explain how its approach to pay is consistent across all its employees. That is why the Government are now implementing major new statutory and code-based reform measures on executive pay as part of a wider package of corporate governance reform.

The headline reform measure—this is directly relevant to the hon. Lady's speech—is to require all quoted companies to disclose and explain the ratio of their CEO's pay to both the median average and the quartile pay of their UK employees. The pay ratio statement must include an explanation of

“whether, and if so why, the company believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the company's UK employees taken as a whole.”

That will allow shareholders, employees and other interested parties to see how pay in the boardroom relates to wider employee pay throughout the company and, importantly, whether and how the directors of the company believe the differentials are justified. This is not just about employees, important though they are, because shareholders have strongly backed the introduction of pay ratio reporting and will be watching closely both the figures and the explanations, which they have made clear must be meaningful and relevant.

UK shareholders are increasingly vocal and assertive in holding companies to account on executive pay and other issues, which the Government support. The Government requested the Investment Association to establish the world's first public register of shareholder dissent, so that there is a publicly monitored record of companies that receive more than 20% votes against executive pay packages. Halfway through the first year, there have been 140 significant shareholder rebellions on pay and other matters—more than the total for the whole of last year.

The Government have asked the Financial Reporting Council to consult on a number of new executive pay provisions in the UK corporate governance code, including a requirement for remuneration committees to explain what engagement with the wider workforce has taken place on how executive pay aligns with wider company policy. I am pleased to say that this new measure forms part of the revised corporate governance code published by the FRC earlier today—this is very topical—as part of a wider package of corporate governance reforms that require companies to put in place one or more of either a director appointed from the workforce, a formal workforce advisory panel or a designated non-executive director. It is complicated, but we are making developments. Companies will have to report on how they have had regard to the interests of employees. The statutory instrument was approved by Parliament last week and requires large companies to report each year on how

they have had regard to the interests of their employees and on how it has influenced the decision making of directors.

All these measures will be in place from the start of January 2019, and I take the opportunity to thank everyone in this House, particularly the Business, Energy and Industrial Strategy Committee and the all-party parliamentary group on corporate governance, for their constructive contributions to this agenda over the past two years.

Before I finish, I will address some of the questions raised by the hon. Member for Mitcham and Morden.

**Siobhain McDonagh:** Will the Minister address the issue of pay between assignment contracts?

**Richard Harrington:** I will do my best but, if the hon. Lady is not satisfied with my answer because of the time available, I would be very happy to meet her to discuss this complex subject.

The question of agency staff being paid less despite doing the same work are known as assignment contracts, as I am sure you are aware, Mr Deputy Speaker—you are omnipotent and know everything, or most things, I have ever asked you about. The hon. Lady referred to that as subcontracting some of the lower-paid workers. The Government are looking into that as part of our response to the Taylor review. There is a specific consultation on agency workers in response to that. I know that might not sound like the comprehensive answer the hon. Lady wants, but it is work in progress and I suggest she wait a little before having the meeting, when I will be happy to go through it with her.

Mr Simon Roberts, the retail and operations director of Sainsbury's, wrote a very comprehensive letter to the Government proudly saying that Sainsbury's has met the hon. Lady on several occasions. Mr Roberts clearly has not satisfied her, but he has written a four-page letter to us about it. At least Sainsbury's has had the guts to meet the hon. Lady, and I am sorry that she is not satisfied.

Sainsbury's has 185,000 employees, and the hon. Lady's main point is that it is unfair of Sainsbury's to continue paying its CEO a bonus while cutting bonuses and other variable pay for the rest of its 185,000 staff. The company says it has taken steps to improve its pay offer and specifically to put in place measures to support the staff most affected by the proposed changes, which of course I welcome. I wonder whether the hon. Lady is aware of that.

**Siobhain McDonagh:** I am completely unaware of what those measures are, because I assure the Minister that at the annual general meeting last week there was a bullish contribution from the chair of the board saying it had done nothing wrong and that it is equalising pay. My concern is that 9,000 of Sainsbury's most long-standing members of staff will be getting a pay cut from 2020.

**Richard Harrington:** I will send Mr Simon Roberts a copy of the *Hansard* record of this debate tomorrow and say that the hon. Lady is not satisfied with that answer. I will ask what the details of the improved pay offer are and what measures have been put in place to support the staff most affected by the proposed changes. On the face of it, I welcome what has been done, but it may be that this is not exactly as Sainsbury's says it is. The company says it is committed to increasing its hourly rate of pay from £8 to £9.20 an hour from September and it has promised top-up payments from 18 months to support what it says are the "small minority" of Sainsbury's employees whose loss of certain benefits will have seen them worse-off overall under the pay deal.

In conclusion, I thank the hon. Lady again for giving the House the opportunity to debate these important issues. It is absolutely right that companies approach pay and reward holistically and that executive pay aligns with wider pay and reward. I think the new reforms that Parliament has approved will help in that regard, while keeping the UK a world leader in corporate governance.

*Question put and agreed to.*

11.50 pm

*House adjourned.*



# Westminster Hall

Monday 16 July 2018

[MR CHARLES WALKER *in the Chair*]

## Dangerous Dogs Act: Staffordshire Bull Terriers

4.30 pm

**Helen Jones** (Warrington North) (Lab): I beg to move,

That this House has considered e-petition 222419 relating to including Staffordshire Bull Terriers in the Dangerous Dogs Act 1991.

It is a great pleasure to be here under your chairmanship this afternoon, Mr Walker. I admit that I am no expert on this subject; my only qualification to open the debate is that I have been bitten twice, both times while leafleting and both times by that breed of dog made famous by Sir Arthur Conan Doyle—the ones that do not bark. I therefore intend to outline the arguments briefly to allow others with more expertise than me the time to speak.

The petition was started by those opposed to suggestions in some quarters that Staffordshire bull terriers should be included on the list of prohibited dogs maintained under the Dangerous Dogs Act 1991. Those of us who are a bit long in the tooth will remember that the Act was introduced following a lot of reports in the press about dogs—in particular pit bull types—mauling people.

The Act forbids the keeping of certain breeds, unless the dog is granted an exemption certificate, adding it to the index of exempted dogs. In that case, the owner has a certificate of exemption for the lifetime of the dog, but they must comply with any restrictions placed on him or her, such as keeping the dog muzzled in public. It is an offence to breed from, sell or exchange any dogs listed in the Act—even an individual dog that has an exemption certificate.

Those of us who, again, have been around for a while know that legislation that gets passed quickly, with agreement from both Front Benches, is usually flawed, and many people have argued from the beginning that the Dangerous Dogs Act has serious flaws. It was intended to prevent people from keeping and breeding dogs for fighting, but for a long time it has been argued that it is easy to get around the legislation—for example, by claiming that the dog is a Staffordshire bull terrier or an American bulldog, or by having a crossbreed, which is perfectly legal.

Other people have argued that such breed-specific legislation, or BSL, is the wrong way to proceed anyway. For example, the Royal Society for the Prevention of Cruelty to Animals has said that whether a dog is dangerous is “influenced by a range of factors including how dogs are bred, reared and experiences throughout their lifetime”.

The British Veterinary Association states:

“we are opposed to any proposal or legislation that singles out particular breeds of dogs”.

**John Spellar** (Warley) (Lab): Is my hon. Friend leading to the key criticism of that piece of legislation, which is that the police, and particularly the courts, ought to be taking on irresponsible and vicious owners, instead of showing such reluctance, as they have done on so many occasions?

**Helen Jones:** I certainly agree with my right hon. Friend that there are a lot of irresponsible and vicious owners about, and I shall come on to that.

Another flaw in the Act was that the penalties for having a dog that is dangerously out of control applied at first only if the dog was in a public place or in a private place where it had no right to be; in other words, the Act did not apply to dogs that were at home, so to speak. That was remedied under the Anti-social Behaviour, Crime and Policing Act 2014, apart from exemptions involving people who were trespassers and who were in or about to enter a home.

We come down to two questions. Is breed-specific legislation the right way to proceed? If so, should Staffordshire bull terriers be included under that legislation?

**Mr Alister Jack** (Dumfries and Galloway) (Con): I have fond memories of my family’s childhood pet, Roger, who was a Staffordshire bull terrier of great character. I wanted to get him into *Hansard* because he deserves it—he gave us a lot of pleasure as children. To add the breed to the Dangerous Dogs Act would be a travesty. Does the hon. Lady agree that the problem is that people create dangerous dogs? People, not dogs, are the problem.

**Helen Jones:** That is often the case, and I am glad the hon. Gentleman managed to get Roger into *Hansard*—let us all hear it for Roger! That is the argument that organisations such as the RSCPA put:

“Breed is not an appropriate criterion to assess a dog’s risk to people.”

However, the RSPCA also argues that the existing legislation does not promote animal welfare. It had to put down 232 dogs in two years, many of which it says could have been rehomed—I have reservations about the “many” because I am not sure how many people want to take on dogs listed under the Act. The RSPCA also said that, over the time we have had the legislation, admissions to hospital for injuries inflicted by dogs have risen. In fact, they rose by 76% between 2005 and 2015. There is also no scientific evidence to tie those injuries to the prohibited breeds.

As someone who is fairly neutral in the debate, I would like more information about that, simply as a precaution. Are we admitting more people to hospital than we used to? Are non-prohibited breeds causing the injuries? Or are too many dogs being kept in less than ideal conditions? All of us have met such dogs when canvassing—big dogs kept in small houses or flats without enough space to exercise and so on. Perhaps those conditions make the dogs more likely to bite.

We have to take the matter seriously. After all, about 21,000 people a year in England suffer a dog bite, and most of them are going about their normal business—for example, postal workers or delivery drivers. We need to find a way to protect them. In fact, 37 people have died in dog attacks since the Act was introduced.

The Select Committee on Environment, Food and Rural Affairs, which is chaired so ably by the hon. Member for Tiverton and Honiton (Neil Parish), is looking at the issue. The evidence it has had so far from animal welfare organisations and dog behaviourists—I did not even know that that was a job until I started to look into this—has been overwhelmingly in favour of looking at deed not breed when considering dogs.

[Helen Jones]

People for the Ethical Treatment of Animals, however, supports a different approach. PETA has argued that Staffordshire bull terriers and American bulldogs ought to be added to the list of prohibited breeds. Its argument—if I may summarise it—is that those breeds are abused and neglected to make them fiercer, and it cites a number of incidents involving attacks. For example, last year an owner was killed in an attack by a Staffordshire bull terrier, and earlier this year, two of those dogs turned on a smaller dog and ripped it to shreds. PETA also recalled a 2012 incident when five police officers faced a pit bull-type dog. One of them ended up requiring skin grafts, two others were hospitalised, and three bullets were needed to stop the attack.

**John Spellar:** I thank my hon. Friend for giving way. Before she moves on, I must say that I find it surprising that we give any credence to that ridiculous organisation. Its main intervention previously has been attacks on anglers in the United Kingdom, which would not find favour with the huge number of anglers in the west midlands or indeed with you, Mr Walker.

**Helen Jones:** I am grateful to my right hon. Friend for his sterling defence of anglers.

I am simply trying to sum up the various views on this issue. Our petitioners say that these dogs make very loyal and loving pets and faithful companions—the hon. Member for Dumfries and Galloway (Mr Jack) mentioned his dog. On the one hand, the RSPCA promotes a more holistic view of dealing with dangerous dogs, with more education—especially for children—a better legal framework and greater enforcement of the law, along with more research into what makes a dog bite in the first place. By contrast, PETA would say that these breeds are kept, abused and fought because of their breed, and therefore should be banned. I am fairly agnostic in all this. We need much better information on which breeds are responsible for many of the injuries. Is there a pattern?

The League Against Cruel Sports says that the number of reported dog fights has risen sharply, from 72 in 2013 to nearly 500 last year. I do not doubt the figures, but I think we need to look behind them and find out whether they are increasing or whether the public and the police are getting better at reporting and dealing with these things. After all, dog fighting was rife in the 19th century, but there were no reports of it because there was no law against it.

**John Spellar:** The fact is that an organisation wishes to blacken the name of Staffordshire bull terriers, but this is—I say this as, I think, the only Member here from the old Staffordshire county—a very popular breed. As has been said, these can be, and often are, extremely good, friendly family dogs, and they are wonderful with children. It is absurd that this organisation is trying to ban them, rather than deal with the vicious owners and those who get involved in dog fighting. That should be the priority—not damning a breed that is so appreciated by so many in the west midlands.

**Helen Jones:** My right hon. Friend is right that there are strong arguments on the other side of the issue. Although it is undoubtedly true that we have made progress since 1991—all dogs now have to be microchipped,

and we have extended the legislation to cover attacks on private land—we need to do more. What the animal welfare charities are putting forward will work very well with responsible dog owners.

The problem, as my right hon. Friend points out, is that many people who have these kinds of dogs are not responsible dog owners, but criminals. They use the dogs to fight, to defend themselves and sometimes to terrorise their entire neighbourhood, as we have seen. That is why the police have said in evidence that they are not prepared to move away from breed-specific legislation at the moment, although they might be prepared to do so in future. If we are going to do that, we will need much more evidence of what has caused the increase in dog attacks. We will also need a much stronger legal system and a better system of enforcing the law. There is no doubt that, when a number of people have these kinds of dogs, they abuse them deliberately to make them fearsome. [Interruption.]

**John Spellar:** I see I am no longer the only Staffordshire MP in the debate. My hon. Friend talks about the enforcement of the law. Perhaps that should start with the enforcement of microchipping—taking people to court and dealing with them when they have animals that are not microchipped or when they have damaged the microchip to make it undetectable.

**Helen Jones:** My right hon. Friend makes a very good point. There are all sorts of things that we should do, because we say we are a nation of dog lovers, but what is happening out there actually shows that many people are not dog lovers at all—they abuse animals, whether unintentionally or through malice. Dogs are often abused through being kept in unsuitable conditions and not being given enough exercise. Others are abused deliberately to make them more likely to attack. We need to look at that.

I am unconvinced about whether we should have a list of prohibited breeds at all, and certainly about whether Staffordshire bull terriers should be on it. I look forward to the other contributions to the debate and to the Select Committee's report, which I am sure will be of great use in deciding how we move forward, both to protect animals from abuse and to protect the public.

4.45 pm

**Neil Parish** (Tiverton and Honiton) (Con): It is a pleasure to follow the hon. Member for Warrington North (Helen Jones), who put the case very well. The Environment, Food and Rural Affairs Committee is about to bring together our report, so I must be quite careful not to say exactly what I expect will be in it, but I will set out quite clearly the evidence that we have taken so far.

I want to start with my experience of three weeks ago, when I visited Battersea Dogs and Cats Home. I came across a crossbred dog that was of a pit bull variety. I went into the pen with it—the dog was of good temperament. It had come in as a stray and had to be investigated by the police to see whether it was part pit bull terrier. The police officer decided that it was and that dog was put down. I really was quite shocked by that.

I am a farmer and I believe that any animal that is vicious and cannot be put right should be put down, but not a dog of really good temperament. Deciding whether

a dog has pit bull terrier in it is not an exact science: measurements are made of the length of its nose and its conformation. The Minister is also a farmer; he knows very well that when animals are crossbred, sometimes they come out looking exactly like the parents and sometimes they look totally different. I found it shocking that the police officers went through the various measurements and worked out that there was pit bull in a dog, when the dog was of really good temperament. It should be up to Battersea to rehome that dog very carefully. While that dog is out on the street, it may well be given an exemption order to allow the owner to keep it, but the moment that dog comes in to a rescue centre, it has to be inspected and if it considered of a pit bull type, it must be put down irrespective of the dog's temperament.

The issue is the deed not the breed. I believe that a dog of any breed in the hands of the wrong person can be made vicious by that person beating it, burning and doing all sorts of horrible things to make the dog vicious. Pit bull terriers and pit bull types account for about 20% of the total bites in the country, but a bigger percentage of them bite than do other breeds. Is the dog breed the problem, or do particular owners for particular reasons take those breeds on because they know they can be made to be dangerous and to bite?

I understand the Minister's point of view. If we said, "Let's abolish all breed-specific legislation," the next time a pit bull or any of the other four banned breeds inflicted a really nasty bite, he would be rolled out on to the television and Radio 4 and asked, "Why did you do this, Minister?" Without second-guessing the Select Committee, I suspect we will recommend not total abolition of the breed-specific legislation, but an arrangement where the temperament of the dog can be given much greater consideration. In the Netherlands, for instance, dogs with good temperament can in certain circumstances be rehomed from rescue centres, provided that the new owners are made aware of the dog's breed and the potential for danger. We can go somewhere with that. Also, there must also be a better way in the 21st century of deciding how much pit bull terrier or any other banned breed there is in a crossbred dog, whether through DNA testing or various measurements of weight and so on. The science is very inexact at the moment, which is also a problem.

Another problem for the Government is that if we are to have breed-specific legislation—I am fearful of mentioning this—we need to add breeds to the list, because other, equally vicious breeds are coming in from Canada and elsewhere as people try to get round the legislation. We need to look at all breeds of dogs and work out which are potentially dangerous and must be watched, and react to that.

I cannot stress enough the importance of the dog's temperament. We need to come down even more heavily on people who are vicious to their dogs, who breed dogs to be dangerous and who take them out in the streets to be dangerous. It is not really the dogs who need to be sorted out; it is the people. Of course, for the postmen and others who have to go on to people's properties, recent legislation that makes owners more liable for the actions of their dogs on their own property is very much a step forward and all good stuff.

The Minister will probably talk about microchipping. That is good, but again anyone who goes to Battersea will find that only about 30% of the dogs there have

accurate microchips. A dog may have a microchip, but often what is on it is largely fictitious. That is another problem.

The Minister has a problem in that the law on breeding and dealing with dogs works only for the law-abiding. If we are not careful, we will make the laws stricter and stricter for those who microchip their dogs and rear and look after them properly, but those who want to be outside the law will still be outside the law. I suspect that the hon. Member for Belfast East (Gavin Robinson), who in his place, will talk about dog fighting, which has been a real problem in Northern Ireland.

There are all sorts of issues around dangerous dogs and there is a reason for breed-specific legislation, but a key requirement is much sounder science for working out breed, especially of crossbreeds. We must also be able to consider the temperament of the dog, and those of good temperament, irrespective of breed, should be allowed to live. Likewise—this is the other side of the argument—a thoroughly vicious dog of any breed should be put down. As 80% of all dog bites are from non-banned breeds, we could argue that by concentrating on breed-specific legislation, we are missing the real point. We should be bringing in antisocial behaviour orders, more penalties and five-year sentences for those who are cruel to animals. Let us get all that on the statute book and deal with the people out there who are making their animals vicious. Then, quite rightly, we will deal with vicious dogs when they appear.

I was a bit concerned when a Minister in the House of Lords suggested to the Select Committee that we were being soft on dangerous dogs. That is not our point of view. A dangerous dog needs to be dealt with. If its temperament cannot be changed it must be euthanased, but there must be a way for dogs with good temperament to survive and prosper, not be given a death sentence just because they are of a certain breed. That is where we can learn from countries across Europe. Even Scotland now has different laws in this area—the hon. Member for Kilmarnock and Loudoun (Alan Brown), the spokesman for the Scottish National party, is a good member of the Select Committee. We must all work together and look at what is happening across the United Kingdom, because we could do a lot better.

We may not have to repeal the legislation, but we must look at how it is enforced and administered. The police told us in evidence that they want some changes. There is a big responsibility on a police officer who has to work out whether a dog lives or dies, and often different officers will make different decisions because the science is inexact. One officer may say that a dog is perfectly fine and should live, but another will say that there is too much of a banned breed in it, and it must be put down. We must clarify the position.

This is not an easy situation, but at the moment I am very concerned. I do not want to go to Battersea Dogs Home again and see a dog of really good temperament being put down. That is absolutely wrong. We need to find a way to protect social workers, postmen and everyone who needs to go into people's homes to work.

**Helen Jones:** Does the hon. Gentleman agree that one simple way to protect postal workers and others would be to ensure that those with dogs running free in their house have either an outside post box or a cage behind their letter box? Any dog can bite if it feels threatened.

**Neil Parish:** The hon. Lady makes a good point. The postal workers' unions that gave evidence to the Committee talked about that—especially the cage behind the door. All of us in the Chamber who have canvassed and pushed letters through letter boxes will know that on reaching some doors it is possible to hear the dog barking, but the most terrifying dog is the one that waits behind the door without making a sound. The moment the leaflet is put through the door there is a tremendous whack, and the dog either bites the person's fingers or gets the leaflet and tears it to shreds. That might be a bonus if it is one of my leaflets.

This is a serious issue, because postmen have to go to those houses. We are changing the rules on that. When dogs have bitten—hopefully before that—putting in a cage would protect the post. If dogs are protecting the property, but that makes it difficult for anyone to go there, there should be a letter box positioned outside the entrance, so that it is not necessary to go in. A dog is territorial and likes to protect its owner and their property, so when people enter that property it is one of the most difficult things for any dog—a collie or any other type. I have had to retreat from a number of farms using a dustbin lid to fend off the dog as I got out. I have then thrown the dustbin lid back in the garden, saying “By the way, you will find your dustbin lid in the garden, because I had to protect myself from the dog.” The dog might not be vicious, but it might still nip and protect the property.

We have to deal with all those things, and I digress a little. I wish the Minister well, and it is good that the petition is being debated, because there is a problem, but if we sit down and deal with it calmly we can sort it out. We need to do cross-party and cross-departmental work on it, with the Home Office as well as the Department for Environment, Food and Rural Affairs. Education is also relevant, as we need to educate children in school about animal welfare and explain to children and young people that, although there are families in which dogs are treated badly, there are better ways to handle them.

5.3 pm

**Jeremy Lefroy (Stafford) (Con):** It is a pleasure to follow my hon. Friend the Member for Tiverton and Honiton (Neil Parish). I do not propose to detain the House long, as so much common sense has been spoken so far.

I rise to defend the honour of Staffies and Staffordshire, as the House would expect—not as the owner of a dog but as someone who has had the great pleasure of encountering many wonderful dogs including many wonderful Staffies. As the petition says:

“It would be a terrible tragedy for the dog lovers of the UK to lose the right to own one of these great companions. We are calling on Parliament to save our staffies and not have them banned as dangerous dogs, because they are not. People create dangerous dogs, people are the problem.”

I entirely agree with those sentiments. I also speak on behalf of my fellow Staffordshire Members of Parliament, who could not be present for the debate—in particular my hon. Friend the Member for Cannock Chase (Amanda Milling), who has asked me to say some things for her. As might be expected, there are a substantial number of signatories to the petition from Staffordshire—and, indeed, from across the border in south Cheshire. For instance 400 people signed in Crewe and Nantwich and 270 signed

in Congleton. There were 458 signatures from my constituency, and Newcastle-under-Lyme, the constituency where I live, came top with 485.

As can be imagined, the Staffie holds a special place in people's hearts, and I want to say a few words about the mascot of the now disbanded—but hopefully to be reinstated in the future—Staffordshire Regiment. The mascot in question is called Watchman V. The mascot tradition in the regiments of south Staffordshire stretches back to the 19th century. In 1882 the South Staffordshire Regiment was ordered to march with Lord Wolseley to the relief of General Gordon, who was besieged in Khartoum. They entrained at Cairo with their Staffordshire bull terrier, Boxer. Unfortunately he leaped from the moving train and was seen lying unconscious or dead—or so they thought—at the side of the track. A few days later the regiment was encamped at Assiut, awaiting orders for the final phase of the march, when a thin and bedraggled dog staggered into the camp and collapsed. Boxer had walked more than 200 miles along the scorching desert railway track to rejoin his regiment—a true soldier.

From then on the tradition of having a Staffordshire bull terrier as a mascot continued with the South Staffordshire and North Staffordshire Regiments and eventually the combined battalions of the Staffordshire Regiment. Watchman V continues his duties today as part of the Staffordshire Regimental Association, holding the rank of colour sergeant. In 2016 Staffordshire MPs as a group entered Colour Sergeant Watchman V in the Westminster Dog of the Year competition. I am glad to say he overwhelmingly won the public vote, so as you can see, Mr Walker, his is a popular breed. Watchman visits schools to teach children about safe interaction with dogs. There is a campaign at the moment to build a life-size bronze statue of him in Tamworth, as a tribute to the mascots, the handlers over the years, and the Staffordshire regimental family.

A positive view of Staffies is widely held. The animal welfare sector, including the Kennel Club, the Royal Society for the Prevention of Cruelty to Animals, the Dogs Trust and Blue Cross, is united in its view that Staffordshire bull terriers should not be added to the existing list of banned breeds under the Dangerous Dogs Act 1991. My hon. Friend the Member for Tiverton and Honiton, the Chairman of the Select Committee, has expounded in detail and extremely wisely what should be done. The Committee is considering the matter at the moment, so I will not go into detail about it, but I believe we need to deal with dangerous dogs effectively and sensibly—not, from now on, in a breed-specific way such as the proposal to put Staffies on the list of dangerous dogs.

The law was reformed under the coalition Government and, rightly in my view, greater emphasis was put on tackling irresponsible dog ownership. The truth is, as many have said, that dogs of any breed can become dangerous if they are not trained, or if they are put in the wrong hands. Owners are responsible for their dogs' behaviour. Vilifying an entire breed goes against scientific evidence and is not good policy, so I am delighted by the clarity of the Government statement. It is great to see such a brief Government statement. It says they have no intention of prohibiting the keeping of Staffordshire bull terriers. Would that all Government policy could be as clear and brief as that.

As my hon. Friend the Member for Tiverton and Honiton has said, the Dogs Trust has concerns about breed-specific legislation in general. He also said that a number of countries, including the Netherlands, have moved away from that approach. I believe that DEFRA is currently reviewing the issue and I look forward to seeing the conclusions. It would be a terrible tragedy for the dog-lovers of the UK to lose the right to own one of the great companions we have been talking about. I am delighted that the Government have no intention of bringing that about. It has been an honour to speak in the debate on behalf of Staffies.

5.8 pm

**Alan Brown** (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Walker. I pay tribute to the hon. Member for Warrington North (Helen Jones), who led the debate so well on behalf of the Petitions Committee. She said that she is no expert, but she put forward good arguments. As hon. Members will find out, I am no expert on the subject either, but I am a member of the Select Committee on Environment, Food and Rural Affairs, which is considering the relevant legislation, which is why I have been given the pleasure of summing up for the Scottish National party.

In a way it is strange to be having this debate about a petition against a suggestion from an animal rights organisation. People are so concerned about the suggestion that they are getting their retaliation in first by launching this petition. Usually, petitions are launched because of Government intentions or something the Government have already done, so it is certainly unusual that it is not the Government getting a bashing today.

I am a member of the Environment, Food and Rural Affairs Committee and it sums up this place for me that—as the Chair of the Committee, the hon. Member for Tiverton and Honiton (Neil Parish), has said—we have already had a Minister in front of the Committee to discuss the existing legislation, but that Minister is a Lord in the other place, and therefore we have another Government Minister here to respond to the petition, rather than the Minister who is responsible for the legislation itself. It seems a bit outdated, to say the least.

Turning to the contributions, we heard first from the hon. Member for Warrington North. She started off talking about dangerous dogs and her experience of being bitten twice while out leafleting or canvassing. I share her experience because I have had the same thing. As the Chair of the Select Committee said, the problem is the silent dog that lies in wait and manages to pounce way, way higher than anyone would ever expect a wee dog to be able to pounce. It was amazing how quickly I moved my finger, even though it was too late. I also discovered that trying to soldier on and do further leafleting was a bit of a lost cause when I was dripping blood on to the next door that I went to and on to the leaflets. I thought, “That’s no way to win votes,” so unfortunately I had to give up that day.

The hon. Member for Warrington North is also right about what happened in 1991. There were some high-profile cases and the media demanded some action, which resulted in rushed and flawed legislation. That legislation is still on the statute books, and it should certainly be reviewed. She said that from her perspective there are two questions that we must address: whether breed-specific

legislation is the correct tool and, if so, whether Staffordshire dogs should be added to that. However, running through her contribution and those of others was the idea that it is not necessarily the dogs themselves but irresponsible owners who need to be tackled.

The Chair of the Select Committee said that he would not give away any preview of what will be in the Committee’s report, but it might have saved me a bit of work if he had done that. He highlighted the harrowing visit to Battersea Dogs & Cats Home, which illustrated to him the risks of breed-specific legislation and how it is interpreted, and the fact that dogs with good temperaments are being put down. That is inhumane, it makes no sense and it is illogical, and it underlines the flaws in the breed-specific legislation.

The hon. Gentleman gave an interesting statistic that, while 20% of bites can be attributed to terrier-type dogs, they make up a greater percentage of the dog population. That in itself shows that other considerations apply. He said that we need to look at the matter in the round, which I would suggest is a hint of what might end up in the report, because looking at it in the round would suggest to me perhaps having a risk register rather than breed-specific legislation that completely outlaws breeds. I may be wrong, but that is certainly something I am thinking about. He also highlighted the important issue that not all dogs are microchipped and the information in the microchips may not be valid; that is also something we need to look at to ensure that it is done correctly.

In a light-hearted anecdote, the hon. Gentleman also finished with a story about visiting a number of farms where he had to retreat using dustbin lids to fend off dogs. It reminded me of the Billy Connolly joke that what tigers fear most in the world is chairs, because that was what was used to control them in circuses of old. With recycling and the fact that our bins have changed, I worry about how the hon. Gentleman will now arm himself against dogs; I am sure that a wheelie bin is awkward to wheel at speed.

We heard from the hon. Member for Stafford (Jeremy Lefroy) who, not surprisingly, defended the honour of Staffordshire terriers, as the right hon. Member for Warley (John Spellar) also did. It was interesting to hear how the Staffordshire dog came to be the mascot of the Staffordshire regiment. I noted the hopes of the hon. Member for Stafford that the currently disbanded regiment would be reborn in the future. Unfortunately, given the cuts we have seen to the armed services, I think that is a forlorn hope, but I wish him well in lobbying the Government on that.

Importantly, the hon. Gentleman also highlighted the fact that the RSPCA, the Kennel Club, Dogs Trust and Blue Cross are against Staffordshire terriers being added to breed-specific legislation. Given the quality of the work those organisations do and their reputations, it is important that we listen to them, and their views underline the case. He concluded by saying that we should not vilify an entire breed.

**Andrew Rosindell** (Romford) (Con): I apologise that I was not here for the start of the debate; I was chairing a Delegated Legislation Committee. I have owned two Staffordshire bull terriers—in fact, I have had Staffordshire bull terriers for 25 years of my life—and they are the most amazing, gentle dogs. The very suggestion that

[*Andrew Rosindell*]

they should be added to the flawed Dangerous Dogs Act—which should never have been brought in in the first place and which, in my view, has had no effect in making things safer for people in this country—is extremely foolhardy. Does the hon. Gentleman agree that legislation on animal welfare and the safety of the public regarding dogs should be based on dealing with the deed, the action or the use of the dog by irresponsible owners, not on picking on Staffordshire bull terriers, or for that matter any other breed?

**Alan Brown:** I wholeheartedly agree with the hon. Gentleman's sentiments. As he said, he has had Staffordshire bull terriers for 25 years. Loving, caring dog owners create loving dogs. That is how it is. Dangerous dogs are created by irresponsible owners, sometimes through neglect and sometimes through wilful behavioural training to create a dangerous dog, which is alarming in itself. We need to tackle those people, rather than worrying about specific dog breeds.

I will touch briefly on some of the evidence I picked up on in the Select Committee inquiry. This might or might not find its way into the report, and I might be at odds with other Committee members, but it seemed to me that the police have said that they are open to changes to breed-specific legislation. They say that other measures are needed to allow controls to be put in place and allow people to tackle dangerous dogs, but they are certainly receptive to changes to BSL.

There needs to be greater information-sharing between various local authorities and individual police forces across England and Wales, so that anyone who is banned from owning dogs because they have had dangerous dogs is tracked if they move from one area to another. That is something that needs to be looked at. Resources for local authorities seem to be an issue, and in some cases, a clearer understanding is needed between the police and the relevant local authority as to who has most responsibility for enforcing the legislation on dangerous dogs.

As the Chair of the Select Committee said, the Scottish Government have introduced additional legislation in Scotland, the Control of Dogs (Scotland) Act 2010, which touches on the general theme of this debate—looking at deeds rather than individual dogs. That Act was,

“designed to highlight the responsibilities of dog owners by putting in place a regime that will identify ‘out of control’ dogs at an early juncture”.

It includes measures to try to change the behaviour of these dogs and, of course, their owners, because owners need to be able to train their dogs and implement the change before the dogs become dangerous. It is about early intervention. That buzz phrase is used quite a lot in politics, but it is clearly important in ensuring the welfare of dogs. The 2010 Act also created a dog control notice regime that permits officers—appointed and authorised by the local authority—to issue dog control notices to irresponsible owners of any dog found to have been out of control, while also setting out what “out of control” means.

The general theme of the debate has definitely been about tackling owners, rather than vilifying individual breeds. There is certainly a case for looking at the existing legislation and bringing forward improvements. I look forward to the Minister's response.

5.20 pm

**Sue Hayman (Workington) (Lab):** It is a pleasure to serve under your chairmanship, Mr Walker. I thank my hon. Friend the Member for Warrington North (Helen Jones) for introducing the debate. There has not been a huge number of speakers, but those who have spoken feel strongly about this issue. It has been an excellent debate, with some really good information shared.

The hon. Member for Tiverton and Honiton (Neil Parish), who chairs the Environment, Food and Rural Affairs Committee, was particularly interesting and well informed. I was pleased by a lot of what he said, because I started to become interested in this topic on a visit similar to the one he described. I was also particularly interested by what the hon. Member for Stafford (Jeremy Lefroy) said about the regimental mascot, which I was not aware of. I wish him all the luck in the world in getting a statue in place. That would be a fantastic tribute.

I was interested to hear what the hon. Member for Kilmarnock and Loudoun (Alan Brown)—I remembered his constituency—said about the 2010 Act. I was not aware of it, so I will be interested to take a look at it. I was also interested to hear his idea of using a chair, rather than a dustbin lid, to fend off dogs. When I go canvassing, I fill my pockets with dog biscuits, which I find can be very useful.

I would like to talk about an experience I had that was similar to the one the hon. Member for Tiverton and Honiton had. I launched Labour's animal welfare plan in February from the RSPCA's Harmsworth Hospital, in north London. As part of that visit I was introduced to a lovely dog, Bailey, who had a great temperament. The hospital staff and I believed that he could have been rehomed, but because he had been typed as a pit bull, that, sadly, could not happen, and, tragically, he was put to sleep the week after my visit. I told the staff that I would take him because he was such a lovely dog, although I did not tell my husband. I was deeply shocked that this dog, which had never done any harm to anybody, was to be put down because of what he looked like.

**Neil Parish:** The shadow Minister makes a very good point: the dog had done no harm. It was of good temperament and did not have a record of biting people. In this country, we are usually considered innocent until proven guilty, whereas these dogs are considered guilty because they are of a particular breed, and they are then put down, irrespective of temperament. That is exactly the point.

**Sue Hayman:** That is exactly the point: the dogs are found guilty before having done anything wrong. We have heard that people can secure exemptions from the law in court. However, I said that I would take that dog, that I was a dog owner and that I had always had dogs, so those exemptions are clearly not in place for dogs in rescue centres. Many dogs are being put down entirely unnecessarily.

We heard that we have to ensure that legislation to keep people safe from dangerous dogs has to jointly prioritise public safety and animal welfare. We need to be a lot more pragmatic when it comes to banning certain dogs based only on their breed. As has been said, all dogs can bite and all dogs can be dangerous in

the wrong hands, regardless of breed or type or whether they happen to look a certain way. It is therefore clear to me, and to the many animal welfare charities quoted, that any action to tackle dog bites and all other instances of canine aggression must focus on the deed, not the breed.

**Gavin Robinson** (Belfast East) (DUP): The hon. Lady makes entirely the right point. When I was the Lord Mayor of Belfast, there was the case of a dog called Lennox, which hon. Members can look up online. It led to 200,000 complaints to the council, death threats to council officers and ammunition technical officers defusing a suspect device in city hall. Lennox was lifted because of his breed and appearance; his temperament was absolutely fine. Having been moved from secret location to secret location during two years of detention, Lennox developed behavioural issues that ultimately led to his destruction. There is a role for councils and those involved in looking after the welfare of dogs, but they should not do anything of detriment to family dogs with otherwise perfectly good temperaments.

**Sue Hayman**: The hon. Gentleman makes an extremely important point. We absolutely have to remember that it is often how we treat an animal that creates certain behaviours.

The RSPCA tells me that, year on year, Staffordshire bull terriers are the one breed that ends up in its centres most often, through no fault of their own. They can often be overlooked because of the preconceptions many people have about them, which, in the overwhelming majority of cases, are simply wrong. As we have heard, Staffies can make great pets, with the more than 150,000 signatures to the petition demonstrating how strongly Staffordshire owners feel. Like any dog, with the right owner, they make great pets.

In evidence to the Environment, Food and Rural Affairs Committee's ongoing inquiry into dangerous dog legislation, the RSPCA said that it believes breed-specific legislation—BSL—is ineffective in terms of public safety and results in the unnecessary suffering and euthanasia of many dogs. It says that BSL should be repealed, and issues around human safety tackled using education and effective legislative measures that do not unnecessarily compromise dog welfare.

The RSPCA goes on to say that BSL fails to deliver what it was designed to do. It has not reduced hospital admissions from dog bites, as we heard from my hon. Friend the Member for Warrington North. It has not improved public safety, and it has not reduced the numbers of dogs of the breeds or types it legislates against. The RSPCA wants dog control legislation reformed such that BSL is repealed and replaced, education is put in place to ensure that high-risk behaviour towards dogs is avoided, and all severe and fatal dog bite incidents are properly investigated.

Just before Easter, I was lucky enough to visit Battersea Dogs & Cats Home, and I again met an abandoned dog that was about to be put down after being typed. Staff had exactly the same concerns that we have already heard about. I also visited another rescue centre—Oak Tree, near my constituency, in Cumbria—and had the same situation again. This is not unusual; every time I visit a rescue centre, I am presented with exactly the same situation. Battersea Dogs & Cats Home believes

that the Dangerous Dogs Act is ineffective at protecting the public, because, as we have heard, there has been no appreciable reduction in dog attacks since it was passed.

**Andrew Rosindell**: I am pleased to hear the hon. Lady say that. She is coming at this from exactly the right angle. The Dangerous Dogs Act was brought in in 1991 and was a knee-jerk reaction. It has never been effective and has always been completely flawed. There should surely be cross-party consensus to review this legislation so that we have an effective law that protects the public and is not cruel to animals—that have committed no crime and have never bitten anybody—because of their appearance or breed. As the shadow Minister for animal welfare prior to the 2010 general election, I championed reviewing the legislation; sadly, this Government have not yet looked at it properly and dealt with it. Will the hon. Lady work with the Minister to try to find a consensus? The current legislation has to be reviewed and changed.

**Sue Hayman**: I thank the hon. Gentleman for that intervention. I would be happy to work with anyone to improve the legislation, because this is about animal welfare and treating dogs fairly, but also about protecting people. At the moment, the legislation does not work for either of those.

Battersea argues for the abolition or, at the very least, reformation of BSL. It calls it a sticking plaster that does not prevent public harm, and it wants the Government to amend the legislation to ensure that dogs are not put down simply because of their appearance.

It is also right that proper education and community engagement processes should be in place to help the public better understand dog behaviour and to encourage responsible ownership. I am a pet owner—I have a dog, a cat and all sorts—and being a pet owner is so rewarding, but people need to understand, particularly when taking on a dog, that it is a huge responsibility. People need to be better educated when they buy their dogs in the first place. It is clear that, in the wrong hands, any dog has the potential to injure either people or other animals. I have a Labrador, and when I was researching this issue, I was horrified to find out that many Labradors carry out attacks. My dog is so soft that I cannot imagine that it would do that. It just shows that, in the wrong hands, any dog can be dangerous.

To sum up, we need to ensure that we focus on ownership rather than on a particular breed or type of dog. I say to the Minister that it is really important that the legislation has a proper, thorough review. It would be good if that were carried out by DEFRA and we could have some timescales as to when he will be able to look into this issue, because it seems to me, from this debate and from discussion further afield, that there is a pretty broad consensus that what we have on the statute book at the moment simply is not working to protect either people or dogs.

I am very pleased that the Government, in their response to the petition, have said that they have no plans to ban Staffies. I look forward with interest to the EFRA Committee's report and hope that the Minister will pay close attention to its recommendations.

I shall finish with a plea to the Minister from dog owners everywhere. Let us get the legislation right to protect both the public and dogs. We need the right

[Sue Hayman]

education to be in place, and we need to focus on how we can effectively tackle irresponsible dog owners, not just the dogs themselves.

5.32 pm

**The Minister for Agriculture, Fisheries and Food (George Eustice):** It is a pleasure to serve under your chairmanship, Mr Walker. I congratulate the hon. Member for Warrington North (Helen Jones) on the way she introduced the debate. The petition has attracted more than 160,000 signatures, which shows how strongly people feel about this issue. I understand that the petition was a reaction to a submission made by PETA to the ongoing inquiry on dangerous dogs by the EFRA Committee. Today, we have heard a number of quite powerful and detailed speeches, including from my hon. Friend the Member for Stafford (Jeremy Lefroy), who, appropriately, stood up for this breed, which hails from his part of the world. I, too, was very interested to hear the history of the Staffordshire bull terrier as a mascot for the Staffordshire Regiment and the fascinating story of the genesis of that.

I am sure that all hon. Members, including my hon. Friend the Member for Stafford and my hon. Friend the Member for Romford (Andrew Rosindell), who also gave a personal account of his love of this breed, will be pleased to know that the Government have no plans at all to add Staffordshire bull terriers, or any other type of dog, to the list of prohibited dogs. Staffordshire bull terriers are a popular breed in this country and have shown themselves to be a good family pet. Like any dog, they should be socialised at an early age and be properly trained to avoid behavioural problems, but for anyone thinking of taking on a dog, there is no reason why a Staffordshire bull terrier should not be considered. My noble Friend Lord Gardiner, who leads on this policy area, has given evidence to the EFRA Committee and confirmed that there is no intention to add further types of dog to the prohibited list.

The hon. Member for Kilmarnock and Loudoun (Alan Brown) suggested that it was disappointing that I am responding to the debate by virtue of the fact that the Minister responsible is a Lords Minister, but let me reassure him that I have been around DEFRA long enough to have had to go in to bat on most issues—indeed, I was the Minister responsible for companion animals and looked closely at this issue for about two years, and I will return to that point.

It should be noted that the Dangerous Dogs Act 1991 is not just about banned breeds. Section 3 makes it an offence to allow any dog to be dangerously out of control. That is the case for all dogs, regardless of breed or type. There are also other preventive measures, which I will mention later, that are applicable to all types of dog.

As the hon. Member for Warrington North and others pointed out, the genesis of the 1991 Act was as a reaction to a series of serious dog attacks at that time. The Act prohibits four types of fighting dog—types traditionally used for dog fighting—and those are the pit bull terrier, Japanese Tosa, Dogo Argentino and Fila Brasileiro. Of the four types, the pit bull terrier was by far the most popular. Indeed, pit bulls had been associated with a number of serious attacks on people, and it was decided to take action against their ownership. The

other three types of dog were added primarily because it was considered that, having been identified as either fighting types or as sharing the characteristics of fighting dogs, they should be prohibited to prevent people from turning to them instead of the pit bull terrier. However, I am told that we have very few of the other three types in this country and none of the Fila Brasileiro type.

Adding dogs to the list of prohibited types would need to be done on the basis of proportionate risk of harm to people. Under the Act, it is an offence to breed from, sell or exchange the four breeds of dog. That approach is supported by the police. It should be noted—perhaps not enough people are aware of this—that the courts can already allow owners to keep prohibited dogs if they are not a danger to public safety. Account must be taken of the dog's temperament and whether the intended keeper, who must have had substantial prior responsibility for the dog, is a fit and proper person, with premises suitable for the dog.

Those dogs are placed on the index of exempted dogs, which is managed by DEFRA. Currently, about 3,100 dogs are on the exempt list. They are predominantly pit bull terriers, but there are also about 10 Japanese Tosas and three of the Dogo Argentino type. For a dog to go on the index, certain conditions have to be met. The dog must be neutered. The owner has to maintain annual insurance against their dog injuring third parties. The owner has to pay an initial fee of £92.40. Dogs on the list also have to be microchipped, muzzled and on a lead in public, and they must be in the charge of someone who is at least 16 years old.

It should be noted that, when the provisions were initially brought forward in 1991, they were largely considered to be transitional arrangements. The idea was that dogs that existed in 1991 could remain on the exempt list for the rest of their lives, but those of us who are familiar with dogs and the lifespan of a typical dog will be aware that none of the dogs on the list today was alive in 1991; they are exclusively dogs that have been born since. The Government have chosen to keep that option as a way of managing this situation and enabling people to remain with their dog where it is appropriate to do so and where the courts judge that it is safe to do so.

As I said, in addition to the restrictions on certain fighting dogs, it is an offence under section 3 of the Act to allow any dog to be dangerously out of control. There are severe penalties for allowing a dog to be dangerously out of control; indeed, we increased the penalties in 2014 to three years for allowing a dog to attack an assistance dog, five years if a dog injures someone and 14 years if a dog kills someone.

A number of hon. Members have talked about “deed not breed”. I am well aware of that campaign, which is being run by a number of animal welfare charities. I understand the superficial attraction of that approach, but let me talk about the evidence that supports the Government's position. We consider the prohibition on the four banned breeds to be a valuable tool in the battle against irresponsible ownership of dogs.

The prohibition on the pit bull terrier is supported by the Metropolitan police's own figures, which show that in 2015-16, over 19% of dogs involved in reported attacks were pit bulls. That is quite extraordinary, given that this is a banned and illegal breed. Despite that fact and despite the fact that dogs on the exempt list must be muzzled in public, that breed still accounts for almost

20% of all reported attacks. We know also that pit bulls have been involved in seven of the 31 fatal attacks that have occurred since 2005. That is highly disproportionate for one type of dog that is banned, and it underlines the need to be cautious about change in this area. My hon. Friend the Member for Tiverton and Honiton (Neil Parish) acknowledged that, saying that to remove the restrictions would be a difficult decision for any Minister to take, knowing that, even with the ban, this breed of dog is responsible for so many attacks and that a subsequent increase in attacks may be inevitable. The issue is not just the reputational damage that a Minister might suffer, but that they would have to carry on their conscience attacks, injuries and deaths that might have been avoidable had a more cautious approach been taken.

**Gavin Robinson:** The Minister is making a good point, but is there a direct correlation between the attacks he outlined and dogs that are on the register? My fear is that the irresponsible owners of dogs that carry out attacks are not complying with the law, not muzzling their dog in public, and not part of an official register. They are outside the law and the deterrents are simply not strong enough.

**George Eustice:** The hon. Gentleman makes an important point. There are instances of attacks by dogs that are on the list, but were not muzzled in public, for example. I was aware during my time of pet dogs that were killed because people had failed to muzzle in public dogs that were on the exempt list. It is also the case, however, that the vast majority of attacks are carried out by dogs that are outside the system altogether. I do not think that gets us much further forward, because at the moment a dog that is not on the list is held illegally, and if the police come across that dog, they are able to get an order to have that dog destroyed.

**Gavin Robinson:** That is why we need robust sentencing and actual deterrence. A notorious family in my constituency of East Belfast has been before the courts on a number of occasions and convicted of dog fighting. The Chair of the Environment, Food and Rural Affairs Committee referred to this. They were convicted of dog fighting, badger baiting, stealing domestic cats to blood their dogs, having treadmills to train and strengthen their dogs, and using their dogs against live badgers, foxes and deer, to train them. All four members of the family were convicted and received a suspended sentence.

**George Eustice:** I very much agree with the hon. Gentleman. It is because of atrocious cases of the sort that he has described that I have always wanted the maximum sentence for the most egregious cruelty to animals to be raised. It is now Government policy to increase the maximum penalty to five years. We have always had in mind that activities such as dog fighting would be one of the key targets for that maximum penalty.

My hon. Friend the Member for Tiverton and Honiton and others talked about Battersea Dogs & Cats Home. Back in 2011—long before my hon. Friend's recent visit—I went there with him as a member of the Environment, Food and Rural Affairs Committee. There was a similar case of a pit bull that had to be destroyed when the officers at Battersea thought that that animal could have been rehomed. I visited Battersea again about three years ago, when I held this portfolio, to

discuss the matter with them. From memory, about 27 pit bulls had come in that year, all of which had to be destroyed under the current legislation, and more than 300 other dogs had come in, a significant proportion of which were judged to be not suitable for rehoming and also had to be destroyed. Given what we know about the breed, how often would a charity actually have the confidence to rehome a pit bull with a family? My hon. Friend said the science is not precise, and there is some truth in that, but there are police officers who are trained in typing, have expertise in this area and are actually quite good at ascertaining when a dog is a banned breed, particularly when it is a pit bull.

This is not the only area where we have what one might call breed-specific legislation. In the provisions around public rights of way, there are restrictions on farmers from having dairy breeds of cattle on a footpath at certain times of the year, because dairy breeds are judged to be more aggressive and more likely to attack people than beef breeds. We know that there is a link between the behaviour and temperament of cattle and breed. In my part of the world, we have breeds such as the South Devon, which is a very laid-back, west country breed, which is calm and docile. In Scotland, they have the Aberdeen Angus, which is a slightly more feisty animal. On the continent, there are some more unpredictable breeds.

There are other powers available to the police and local authorities to deal with this issue; the Dangerous Dogs Act is not the only resort. Both have the power to tackle antisocial behaviour with dogs and to intervene early to prevent a minor incident escalating into something more serious. For example, the Anti-social Behaviour, Crime and Policing Act 2014 introduced a range of measures to tackle antisocial behaviour, including that which involves dogs. This includes community protection notices, which aim to prevent unreasonable behaviour that is having a negative impact on the quality of life of the local community. These are being used to good effect by police and local authorities across England and Wales.

**Paul Girvan (South Antrim) (DUP):** Many people report incidents, thinking they are acting in the best interest. The reaction, therefore, will be that a police officer or a council official will be asked to go along and lift a dog from a family home, because it has been identified as being a Staffordshire bull terrier. It might only be a very good family pet, but if some well-meaning individual in the community decides to do that, an officer will have to go in and identify whether it is a Staffordshire bull terrier. We have had the same legislation in Northern Ireland associated with American pit bulls and we have had all sorts of problems identifying what breed a dog is. I am a great believer in deed not breed. We should stop hounding those who have good pets that are not creating a problem, but deal with the ones that do.

**George Eustice:** To reiterate what I said earlier, the Government have no plans at all to add the Staffordshire bull terrier to the prohibited list. We have been clear about that in response to the e-petition. We have trained police officers who are skilled in identifying the breed and type of dogs, in particular the pit bull terrier, which is the main banned breed that we are concerned with.

[George Eustice]

In addition to the community protection notices, many forces use non-statutory letters and notices. Those can come in the form of “coming to notice” warning letters and voluntary acceptable behaviour contracts. The notices are simple to use and remove the need for a statutory notice or prosecution. The Government are also committed to public safety and to tackling dangerous dogs through communication and education. Co-operation between the police and local authorities is vital. That is why we have endorsed initiatives such as LEAD—the local environmental awareness on dogs scheme—which encourages the police and local authorities to co-operate and share information when there has been a minor incident, and to provide advice to the dog owner on dog control issues to improve public safety. We also support an increase in awareness at all levels of society, as the hon. Member for Workington (Sue Hayman) highlighted. We are aware that many police forces and welfare charities, such as the Dogs Trust, visit schools to help to raise awareness of responsible dog ownership, and we fully endorse that work.

As several hon. Members pointed out, we need to do more to ensure that dogs are properly socialised, whatever their breed. We have done a lot to tackle the online trading of dogs through our work with the pet advertising advisory group. Dogs that are advertised and sold online have often not been socialised or raised properly. We have also introduced new requirements on pet breeding, particularly dog breeding, and on the sale of dogs to tighten up the licensing regime for people who breed and sell puppies as pets.

We have had a good and thoughtful debate on this contentious issue. I do not pretend that the legislation is perfect, and I understand that some people consider elements of it arbitrary, but for the reasons that I have given, the Government do not believe there is a case for changing the legislation at this time. We believe that we can deal with some of those exceptional circumstances through the exempted index.

**Andrew Rosindell:** I thank the Minister for the assurance that Staffordshire bull terriers will not be added to that list, which will come as a great relief to Staffordshire bull terrier owners across the country. People like me

who have owned Staffordshires know that they are fantastic, great British dogs that are not a danger to the general public.

The Minister says that he does not intend to change the legislation, but will he at least consider reviewing it to create a cross-party discussion about how we can move forward? The legislation is flawed, and if the Government say that it will never change, that will condemn many innocent dogs to death unnecessarily for a long time to come, which would be wrong.

**George Eustice:** I had thought we were going to finish on a note of consensus. We can all agree that the Staffordshire bull terrier should not be put on the banned list. The Government have been clear about that.

On my hon. Friend's final point, the Government are not persuaded at the moment that there is a case for change. I discuss the issue regularly with Lord Gardiner and, as I said, it is complex. We recognise some of the arguments against the current provisions, but we also recognise the risks of deviating from the rules and laws that we have in place.

5.52 pm

**Helen Jones:** I thank all hon. Members who have spoken, particularly the hon. Member for Stafford (Jeremy Lefroy) and my right hon. Friend the Member for Warley (John Spellar) for their sterling defence of Staffordshire bull terriers. The Chair of the Select Committee, the hon. Member for Tiverton and Honiton (Neil Parish), also made an interesting contribution.

I thank the Minister for giving one of the clearest answers to a petition so far. We often have to send them back because they are not clear. His speech today was also very balanced in highlighting the need to get the legislation right and to protect people from attacks by dogs, and for that I am extremely grateful.

*Question put and agreed to.*

*Resolved,*

That this House has considered e-petition 222419 relating to including Staffordshire Bull Terriers in the Dangerous Dogs Act 1991.

5.53 pm

*Sitting adjourned.*

# Written Statements

Monday 16 July 2018

## TREASURY

### Taxation (Cross-border Trade) Bill

**The Financial Secretary to the Treasury (Mel Stride):** I have today published a written submission outlining the Government's analysis of how the English votes for English laws principle relates to all Government amendments tabled for Report stage of the Taxation (Cross-border Trade) Bill.

The Department's assessment is that the amendments do not change the territorial application of the Bill.

I have deposited a copy of the submission in the Libraries of the House.

[HCWS857]

## FOREIGN AND COMMONWEALTH OFFICE

### Annual Human Rights and Democracy Report 2017

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Jeremy Hunt):** I have today laid before Parliament a copy of the 2017 Foreign and Commonwealth Office (FCO) Report on Human Rights and Democracy (Cmd 9644).

The report analyses human rights developments overseas in 2017 and illustrates how the Government work to promote and defend human rights globally.

The report assesses the situation in 30 countries, that the FCO has designated as its human rights priority countries. These are Afghanistan, Bahrain, Bangladesh, Burma, Burundi, Central African Republic, China, Colombia, Democratic People's Republic of Korea, Democratic Republic of Congo, Egypt, Eritrea, Iran,

Iraq, Israel and the Occupied Palestinian Territories, Libya, Maldives, Pakistan, Russia, Saudi Arabia, Somalia, South Sudan, Sri Lanka, Sudan, Syria, Turkmenistan, Uzbekistan, Venezuela, Yemen and Zimbabwe.

This year marks the 70th anniversary year of the universal declaration of human rights.

The report I have laid before Parliament today demonstrates that the principles and values enshrined in the universal declaration remain as crucial as ever.

It also serves as a reminder that ensuring universal respect for those principles remains a difficult task.

The UK Government will continue to play a significant part in this endeavour to protect the "inherent dignity" of

"all members of the human family".

[HCWS858]

## INTERNATIONAL TRADE

### Trade Bill: Government Amendments on Report

**The Minister for Trade Policy (George Hollingbery):** The English votes for English laws process applies to public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify the Bill or any of its provisions for the purposes of English votes for English laws. Bill provisions that relate exclusively to England or to England and Wales, and which have a subject matter within the legislative competence of one or more of the devolved legislatures, can be certified.

#### Report Stage Amendments

The memorandum, which I will place in the Libraries of both Houses, provides an assessment of Government amendments tabled to the Trade Bill, for the purposes of English votes for English laws, ahead of Report stage in the House of Commons. The Department for International Trade's assessment is that the amendments do not change the territorial application of the Bill, for the purpose of Standing Order No. 83L of the Standing Orders of the House of Commons as set out in the explanatory notes to the Bill at introduction and as reproduced below. The above assessment is represented in tabular form below:

Provision	Extends to E & W and applies to England?	Extends to E & W and applies to Wales?	Extends and applies to Scotland?	Extends and applies to Northern Ireland?	Would corresponding provision be within the competence of the National Assembly of Wales?	Would corresponding provision be within the competence of the Scottish Parliament?	Would corresponding provision be within the competence of the Northern Ireland Assembly?	Legislative consent motion needed?
Part 1 (clauses 1-7)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes (S, W, NI)
Part 2 (clauses 8-9)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Part 3 (clauses 10-11)	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No

<i>Provision</i>	<i>Extends to E &amp; W and applies to England?</i>	<i>Extends to E &amp; W and applies to Wales?</i>	<i>Extends and applies to Scotland?</i>	<i>Extends and applies to Northern Ireland?</i>	<i>Would corresponding provision be within the competence of the National Assembly of Wales?</i>	<i>Would corresponding provision be within the competence of the Scottish Parliament?</i>	<i>Would corresponding provision be within the competence of the Northern Ireland Assembly?</i>	<i>Legislative consent motion needed?</i>
<i>Part 4 (clauses 12-15)</i>	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
<i>Schedules 1-3</i>	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes (S, W, NI)
<i>Schedule 4</i>	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
<i>Schedule 5</i>	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No

[HCWS856]

# Petitions

Monday 16 July 2018

## PRESENTED PETITIONS

*Petition presented to the House but not read on the Floor*

### Home Education: draft guidance and consultation

*The petition of residents of Gainsborough Constituency,*

Declare that the “Home Education—Call for Evidence and revised DfE guidance” has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.—[Presented by Sir Edward Leigh.]

[P002213]

*The petition of residents of Havant Constituency,*

Declare that the “Home Education—Call for Evidence and revised DfE guidance” has been written following significant consultation with local authorities and no consultation whatsoever with the home education community; further that the consultation is consequently for little more than show as an intention to implement the content has already been stated: further that it seeks to encourage local authorities to breach the ECHR Article 8 and the GDPR; and further that the report provides no accessible means for a parent to address ultra vires behaviour by their local authority, where many of those authorities already act routinely in an ultra vires manner.

The petitioners therefore request that the House of Commons urges the Government to withdraw the draft guidance and the consultation, until it has put in place an accessible and workable complaints procedure and further has consulted with home educating parents, as it has with Local Authorities, what the contents should include.

And the petitioners remain, etc.

[P002214]

## OBSERVATIONS

### HEALTH AND SOCIAL CARE

#### Proposed Closure of Accrington Victoria NHS walk-in centre

*The petition of residents of Hyndburn,*

Declares that the petitioners are committed to defending NHS services in Hyndburn; and further that the walk-in service based at Accrington Victoria Hospital is a vital

community health resource which must remain open, and that other NHS services in the area are being run down.

The petitioners therefore request that the House of Commons urges the Government to ensure that arrangements are put in place for the NHS in East Lancashire to ensure that the Accrington Victoria Hospital walk-in service remains open and that the closure of other NHS services in the area are halted.

And the petitioners remain, etc.—[Presented by Graham P. Jones, *Official Report*, 2 May 2018; Vol. 640, c. 426.]

[P002146]

*Observations from the Minister for Health (Stephen Barclay):*

The reconfiguration of local health services is a matter for the NHS. Service changes should be led by clinicians and be in the best interests of patients, not driven from the top down.

Following a three-month public consultation, East Lancashire clinical commissioning group (CCG) made the decision to close Accrington walk-in centre from 8pm on Sunday 17 June 2018. The other services provided out of Accrington Community Hospital such as the minor injuries unit, X-ray, and in-patient and out-patient services are not affected by the changes and will remain available. A new system of extended GP access has been implemented and patients will not be left without GP provision.

Decisions on the delivery of services are taken locally by those best placed to assess local need. While this is a local matter, the Government are clear that any major changes should meet the Government’s four tests for service change: they should have support from GP commissioners, be based on clinical evidence, demonstrate public and patient engagement, and consider patient choice.

East Lancashire CCG acknowledged that this is a real change for those patients who are used to being able to walk in to see a GP rather than phoning up for an appointment. However, there are a number of alternative options available without the need for a GP appointment that can be accessed directly.

GP services are accessible to patients through their own GP practice from 8am until 6.30pm Monday to Friday as usual. Pre-bookable appointments will also be available in the new extended GP service after 6.30pm on weekdays and at the weekend. These appointments will be booked through the patients’ own GP practice. This new model of extended GP access meets the principles that were tested and supported by local people through a formal consultation process. In addition, NHS 111 can signpost patients to the most appropriate services including an appointment with an out-of-hours GP if required. This means that more residents in East Lancashire will get care closer to home, through bookable appointments and better continuity of care with access to full medical records.

These are included in the public messaging produced by East Lancashire CCG in the following link: <https://eastlancscgg.nhs.uk/patient-information/accrington-walk-in-centre>.

It is the responsibility of the local NHS to ensure a smooth and safe transition, that contingencies are in place for any impacts of the closure, and that people have continued access to appropriate services that meet local needs.



# Ministerial Correction

*Monday 16 July 2018*

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Tree Planting

*The following is an extract from questions to the Secretary of State for Environment, Food and Rural Affairs on 12 July 2018.*

**Mr Philip Dunne** (Ludlow) (Con): I welcome my hon. Friend the Minister back to her place. On the proper stewardship of trees, is she satisfied that the existing arrangements between the Forest Holidays group and the Forestry Commission fully accord with the commission's statutory objectives?

**Dr Coffey:** We are not happy about the arrangement that the Forestry Commission has entered into with Forest Holidays, which is why my right hon. Friend the

Secretary of State has asked Colin Day—the Department's non-executive director and chair of its audit and risk committee—to undertake a review. He will be investigating the matter carefully.

*[Official Report, 12 July 2018, Vol. 644, c. 1092.]*

### *Letter of correction from Dr Coffey:*

An error has been identified in the response I gave to my hon. Friend the Member for Ludlow (Mr Dunne) during questions to the Secretary of State for Environment, Food and Rural Affairs.

The correct response should have been:

**Dr Coffey:** We are not happy about the arrangement that the Forestry Commission has entered into with Forest Holidays, which is why my right hon. Friend the Secretary of State has asked Colin Day—the Department's non-executive director and chair of its audit and risk committee—to undertake **an internal audit review**. He will be investigating the matter carefully.



# ORAL ANSWERS

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# MINISTERIAL CORRECTION

Monday 16 July 2018

	<i>Col. No.</i>
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No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned - and *must be received in the Editor's Room, House of Commons,*

**not later than  
Monday 23 July 2018**

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PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.

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*Application for emergency debate under Standing Order No. 24*

**Taxation (Cross-border Trade) Bill [Col. 56]**  
*Not amended, further considered; read the Third time and passed*

**Business of the House (Today) [Col. 183]**  
*Motion—(Andrea Leadsom)—agreed to*

**European Statutory Instruments Committee [Col. 183]**  
*Motion—(Andrea Leadsom)*  
*Amendment—(Mrs Maria Miller)—on a Division, negatived*  
*Motion agreed to*

**Liaison Committee [Col. 191]**  
*Motion—(Andrea Leadsom)—agreed to*

**Additional Salaries [Col. 192]**  
*Motion—(Andrea Leadsom)—agreed to*

**European Union Withdrawal (Documents) [Col. 192]**  
*Motion—(Andrea Leadsom)—agreed to*

**European Union [Col. 192]**  
*Motions—(Mims Davies); Division deferred till Wednesday 18 July*

**Petitions [Col. 193]**

**Whole Company Pay Policy [Col. 195]**  
*Debate on motion for Adjournment*

**Westminster Hall**  
**Dangerous Dogs Act: Staffordshire Bull Terriers [Col. 1WH]**  
*e-Petition debate*

**Written Statements [Col. 1WS]**

**Petitions [Col. 1P]**  
*Observations*

**Ministerial Correction [Col. 1MC]**

**Written Answers to Questions** [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]

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