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Monday 20 February 2017

PARLIAMENTARY DEBATES (HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

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Abbreviation	Party/Group		
СВ	Cross Bench		
Con	Conservative		
DUP	Democratic Unionist Party		
GP	Green Party		
Ind Lab	Independent Labour		
Ind LD	Independent Liberal Democrat		
Ind SD	Independent Social Democrat		
Ind UU	Independent Ulster Unionist		
Lab	Labour		
LD	Liberal Democrat		
LD Ind	Liberal Democrat Independent		
Non-afl	Non-affiliated		
PC	Plaid Cymru		
UKIP	UK Independence Party		
UUP	Ulster Unionist Party		

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THE

PARLIAMENTARY DEBATES

(HANSARD)

IN THE SECOND SESSION OF THE FIFTY-SIXTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND COMMENCING ON THE EIGHTEENTH DAY OF MAY IN THE SIXTY-FOURTH YEAR OF THE REIGN OF

HER MAJESTY QUEEN ELIZABETH II

FIFTH SERIES

VOLUME DCCLXXIX

SEVENTH VOLUME OF SESSION 2016-17

House of Lords

Monday 20 February 2017

2.30 pm

Prayers—read by the Lord Bishop of Southwark.

Social Mobility

Question

2.36 pm

Asked by Baroness Tyler of Enfield

To ask Her Majesty's Government what is their response to the findings of the report by the All-Party Parliamentary Group on Social Mobility *The Class Ceiling: Increasing access to the leading professions*, published on 17 January, that talented young people from disadvantaged backgrounds are facing significant barriers to accessing jobs in the top professions.

The Parliamentary Under-Secretary of State, Department for Education (Lord Nash): My Lords, we welcome this excellent report highlighting that, all too often, family background determines success in later life. The Secretary of State recently set out how education should be central to transforming social mobility by ensuring that all young people have access to the right knowledge and skills, high-quality advice and opportunities for challenging, life-shaping experiences to prepare them for career success. Employers also need to do more to attract and draw out the talents of employees from all backgrounds.

Baroness Tyler of Enfield (LD): I thank the Minister for his helpful Answer. The report of the All-Party Group on Social Mobility—I declare an interest as co-chair—vividly demonstrated that students from disadvantaged backgrounds were not gaining access to either the elite universities or the top professions, with the gulf between London and the rest of the country being particularly stark. The report contains

important and wide-ranging recommendations to tackle this. Can the Minister say when the Government will be able to respond in writing to these recommendations, and will he agree to meet with me to discuss them?

Lord Nash: We will be responding in due course on the recommendations and will, of course, focus very much on opportunity areas—to take the noble Baroness's point about the situation outside London. I agree entirely with the conclusions. The Sutton Trust tells us that the 7% of the population educated privately gets nearly 60% of the top jobs in this country. We have to do better than that. I will be delighted to meet with the noble Baroness.

Lord Lexden (Con): Will my noble friend agree that a useful contribution to assisting low-income families could be made through the provision of large numbers of free places at independent schools under partnership arrangements between the Government and schools themselves?

Lord Nash: As my noble friend knows, we are very keen to encourage partnership arrangements between independent schools and the state sector, and we are in active discussions with them about that. We are considering all the proposals we have had—some 7,000—as a result of our consultation document, and we will react to those shortly.

Lord Bird (CB): Are the Government aware that not only are the professions out of kilter with regard to the socially immobile but that social immobility was a very large factor in the Brexit referendum last year?

Lord Nash: There is no question but that many of the social issues had a big influence on the vote last year.

Baroness Royall of Blaisdon (Lab): My Lords, does the noble Lord agree that the social mobility strategy recommended by the APPG should be developed as a matter of urgency so that the country can make use of [Baroness Royall of Blaisdon] all the talents available? Will he further agree that mentoring of young people from disadvantaged backgrounds, especially those from black and ethnic minorities, is absolutely invaluable, and will he welcome the new initiative, entitled One Million Mentors, which was launched last week?

Lord Nash: As I said, we will respond to the report shortly, but I entirely agree with the noble Baroness about the importance of mentoring. I know that Chance UK has an active programme in that, and the system she refers to is definitely to be encouraged. At the Bridge Academy in Hackney, which is sponsored by UBS, over 1,000 UBS employees mentor individual pupils every year. When you talk to pupils, particularly those from disadvantaged backgrounds, many of whom have often not met people who work in white-collar jobs before at all, you understand that mixing with people like this and going to their place of work clearly has a transformational impact.

Baroness Manzoor (Con): My Lords, as well as the fact that there are not as many disaffected and disadvantaged young people getting into Russell group universities as there should be, there is a real problem in that, once they are in key roles, they do not progress as quickly as they should, particularly in areas such as the Civil Service and the NHS.

Lord Nash: My noble friend makes a very good point. I think that she is talking about what the Sutton Trust has termed "essential life skills". It recently pointed out that Harvard University has said that the people who have been successful in recent years and are likely to be successful over the next 20 years are those with essential life skills. It is very important that all schools develop these, and I know that many of them do. Certainly, the Civil Service has a talent programme for bringing on people from a wide range of backgrounds.

Baroness Garden of Frognal (LD): My Lords, building on the question from the noble Baroness, Lady Royall, the Careers & Enterprise Company launched a mentoring community and fund. What resources are the Government providing to ensure that this mentoring, particularly in soft skills and confidence-building, is available for children from disadvantaged backgrounds?

Lord Nash: The noble Baroness is quite right to point to the Careers & Enterprise Company, which seems to have got off to a great start. It is very ably run by a bright young woman called Claudia Harris, formerly of McKinsey. We have made £90 million available over this Parliament for the Careers & Enterprise Company and for programmes that use the mentoring approach. The CEC has already appointed 1,300 advisers across the country to help improve links between employers and schools.

Lord Laming (CB): My Lords—

Baroness Kennedy of The Shaws (Lab): My Lords—

Baroness Farrington of Ribbleton (Lab): My Lords—

The Minister of State, Ministry of Defence (Earl Howe) (Con): My Lords, it is the turn of the Cross Benches and then, if we have time, we can hear from the Labour Benches.

Lord Laming: My Lords, does the noble Lord agree that it is a real challenge to help these young people to recognise the talents that they have, to give them a sense of ambition and to nurture those ambitions through these important years in their development?

Lord Nash: I agree entirely with the noble Lord on that. Increasingly we are seeing schools develop what is sometimes called a "raising ambitions" programme to raise their pupils' horizons and ambitions. All too often in the past schools have not been ambitious enough for their pupils. I recently attended a very inspiring event run by Ormiston Academies Trust, which is developing a raising aspirations programme, and we are seeing many more of these kinds of programmes being developed.

Baroness Farrington of Ribbleton: My Lords—

Baroness Kennedy of The Shaws: My Lords, perhaps I may raise the issue of the new universities and the large numbers of young people from working-class backgrounds who choose to do law and invest in their futures by going on to qualify as solicitors but do not get training contracts. There is an absolute dearth of these contracts for students from modern universities—the former polytechnics and all these new universities that the Government are so keen to create. Ordinary working-class families encourage their children to go into areas where they assume there will be jobs, but there are no training contracts because they all go to the privileged.

Lord Nash: The noble Baroness makes a good point. We are very keen to see access widened to all professions. I know that the Sutton Trust has a very active programme for those wishing to go into law, and it is certainly something that we will be looking at further.

IPP Prisoners

Question

2.45 pm

Asked by Lord Brown of Eaton-under-Heywood

To ask Her Majesty's Government what is their response to the recommendation of Michael Gove, the former Secretary of State for Justice, in his November 2016 Longford Lecture that the approximately 500 Imprisonment for Public Protection (IPP) prisoners "who have been in jail for far longer than the tariff for their offence" should be released.

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, we estimate that there are approximately 200 IPP prisoners who have served longer than the maximum term available for their offence. Release of IPP prisoners is a decision for the Parole Board, made on the balance of risks the offender poses to the public. To improve the efficiency with which IPP cases pass through the parole system, a new unit has been established within the Ministry of Justice, working closely with the Parole Board.

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[20 FEBRUARY 2017]

Lord Brown of Eaton-under-Heywood (CB): That is a disappointing if unsurprising Answer, and apparently an answer to an earlier question of mine about prisoners who had served beyond the maximum term. This refers to those who have served way beyond their tariff term. Would not the Minister agree that there comes a point in the life of an IPP prisoner, even if he cannot persuade the Parole Board that he will never reoffend, when he has served so many years—seven, eight, nine, 10—beyond his tariff term that simple justice demands his immediate release?

Lord Keen of Elie: The noble and learned Lord raises a complex and difficult problem. It was said previously that this sentencing policy was the legacy of a Labour Government. That is unfair. It was a wrong turning in sentencing policy undertaken with the best of intentions which fell victim to the law of unintended consequences. Successive Labour, coalition and Conservative Governments have wrestled with a simple solution to a complex question. If we were going to resolve this matter as simply as the noble and learned Lord suggests, we would not start from where are at present.

Lord Morris of Aberavon (Lab): My Lords, is it the lack of political will that is virtually interning these prisoners or the lack of resources of the Parole Board? If it is resources, will the Minister seek the help of the Treasury in carrying out a cost-benefit analysis of the cost of incarcerating these prisoners?

Lord Keen of Elie: The noble and learned Lord raises a good point. The gateway for these prisoners is the Parole Board and, for the particular reason that we need to deal with this cohort of prisoners, we have provided further additional resources to the Parole Board. As a result, its numbers have increased recently by 49 members and the outstanding cases in this regard listed before it have reduced by about 40% in the period from January 2015 to December 2016.

Lord Marks of Henley-on-Thames (LD): My Lords, the Minister knows from this and questions from other noble and learned Lords that he has no sympathy from former judges in this House on this issue, and virtually none from the judiciary at large. He often says that sentencing is for the judges. Will the Government now listen to the judges on this, change the release test for the Parole Board, as he has power to do under the LASPO Act, and work to free the 3,000-plus IPP prisoners who have already served their tariff, thus both reducing the prison population by 4% and removing a manifest injustice?

Lord Keen of Elie: I note what the noble Lord says. Clearly we have a duty of care to this cohort of prisoners, who are deemed to be at high risk of committing further serious violent or sexual offences. That is one of the issues we have to deal with. However, our duty of care extends beyond this cohort of prisoners. It is also owed to those members of the public who would potentially be the victims of these persons if they were simply released without adequate determination and supervision.

The Lord Bishop of Southwark: My Lords, as an alternative, will the Government consider releasing those inmates on indeterminate sentences, a provision that no longer applies, if they have served longer than a determinate sentence for the same offence? The backlog has to be tackled in some form.

Lord Keen of Elie: I am obliged to the right reverend Prelate but I would point out that the backlog is being tackled and the rate of release of these prisoners is increasing all the time. The number of IPP prisoners is now at an all-time low, but we have to remember that these are individuals who for a variety of reasons pose a very serious threat to members of the public. Indeed, a recent analysis of IPP prisoners still in custody whose tariff was originally less than two years indicates that 88% were assessed as posing a high or very high risk of causing further serious harm.

Lord Faulks (Con): My Lords, I think my noble and learned friend the Minister has suggested that 200 hundred prisoners come within the cohort that is the subject of the Question. Can he reassure the House that, as regards those prisoners, there will have been at least one determination by the Parole Board as to whether it is safe to release them? Can he also reassure the House that, if necessary, further determinations will be made or hearings held to reconsider whether it may be safe to release them?

Lord Keen of Elie: I am obliged to my noble friend. These prisoners have been the subject of assessment by the Parole Board and, where they have failed to satisfy the board that they cannot be released without a risk of serious harm to the public, further provisions have been put in place for psychological assessment and assistance. Where before there were long backlogs, various courses are now available to help these prisoners towards an open system of supervision.

Lord Beecham (Lab): My Lords, last September the Chief Inspector of Prisons reported that there were 3,200 prisoners over tariff, 42% of whom—1,400—were five years or more over their tariff. The chief inspector called for decisive action to,

'ensure adequate resources and timely support are available to work with IPP prisoners to reduce their risk of harm to others and to help them progress through the custodial system towards consideration for release".

How many of those 1,400 prisoners have since been released and what is the likelihood that they will be released over the next year or two?

Lord Keen of Elie: As regards the figures, the maximum term of imprisonment available to the courts for the offences that the vast majority of IPP prisoners were convicted for was and remains life imprisonment. Therefore the significant majority of IPP prisoners will never reach the point of serving more than the statutorily available maximum penalty. I do not know how many of the 1,400 cited by the noble Lord have been released but I will undertake to write to him if those figures are available. Their prospects for release must depend on an assessment by the Parole Board, but I would add that the ministry is addressing the question of whether the onus that lies with regard to those Parole Board hearings should be reconsidered.

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Secondary Schools: Counselling Services Question

2.52 pm

Asked by Lord Oates

To ask Her Majesty's Government how many secondary schools in England do not currently provide in-school counselling services for their students.

The Parliamentary Under-Secretary of State, Department for Education (Lord Nash) (Con): My Lords, school-based counselling can be very valuable and we have published advice, drawn up with experts, on the way that schools can provide effective access to counselling. It is right for schools to decide on the support they provide for their pupils and we do not make them report centrally. However, we are undertaking a large-scale survey to give us nationally representative data on how schools support the mental well-being of their pupils, including through counselling.

Lord Oates (LD): I thank the Minister for that response. He will be aware of the anguish caused to young people and their parents when they are unable to access the services they need through mental health support in schools, or through child and adolescent mental health services. Will the Minister review the criteria used by CAMHS in assessing mental health service referrals in the light of recent figures published by the Education Policy Institute's Mental Health Commission on young people's mental health, which show that a quarter of all referrals from schools to CAMHS are currently declined?

Lord Nash: We are working with the Department of Health to commission a review of CAMHS in order to identify areas for improvement, and every clinical commissioning group has been asked to submit a plan to NHS England on how it is going to improve CAMHS provision. As the noble Lord will know, we are also expanding our joint training pilot for single points of contact in schools and in CAMHS from the original 225 schools to a further 1,200.

Lord Carlile of Berriew (Non-Afl): My Lords, does the noble Lord agree that the earliest possible intervention in adolescent mental health issues is often the most effective? If that is so, will Her Majesty's Government make it clear to schools that they have a duty of care to provide counselling services in all schools?

Lord Nash: We expect all schools to provide counselling services. Our counselling advice sets that out pretty clearly.

Lord Watts (Lab): Can the Minister say how children who are being educated at home are provided with counselling services?

Lord Nash: I cannot. There is a long-standing tradition in this country of parents being able to educate their children at home. We rely on parents to ensure that where their children need counselling services, they get them.

The Lord Bishop of Ely: My Lords, does the Minister agree that an excellent education in a medical setting for those with severe mental health issues is essential to their recovery? Will he join me in paying tribute to the importance of education in acute mental health settings, such as the Pilgrim Pupil Referral Units in Cambridgeshire, which provide a stable learning environment for children and young people?

Lord Nash: I am delighted to join the right reverend Prelate in celebrating the value of this important work. I pay particular tribute to the Pilgrim PRU, which provides specialist support to build resilience and self-confidence, enabling children to reintegrate into mainstream or other settings. In her speech last month on mental health, the Prime Minister talked about ending the burning injustice of mental health problems. Children with more serious mental health problems deserve the same opportunities as everyone else. Ensuring that they get high-quality education is vital to their success in later life.

Baroness Walmsley (LD): Will the Department for Education work with the Department of Health to carry out a joint cost-benefit analysis of having counsellors in schools compared to the cost of mental health services for children later in life?

Lord Nash: I do not think there is any disagreement: as was just mentioned, we believe that the earlier children receive this kind of support, the better. The cost-benefit analysis is clear: all schools should provide counselling where it is needed.

Lord Polak (Con): My Lords, I refer the House to my non-financial registered interest as a trustee of Yavneh academy trust. Only two weeks ago, His Royal Highness the Prince of Wales visited the school, and much time during the visit was taken up with sessions on charitable endeavours and helping others. We were pleased to be able to show how the college was taking seriously its in-school counselling. What more can the Government do to build on additional investment in children and young people's mental health and to give schools support for specialist services?

Lord Nash: We have committed an additional £1.4 billion for mental health services for children, young people and new mothers over the course of the Parliament. We are developing a Green Paper and as I said, we have asked all CCGs to submit their plans. We have extended our joint training pilot scheme and the Prime Minister has committed to strengthening the accountability of children and young people's mental health provision.

Lord Watson of Invergowrie (Lab): My Lords, I can tell the House that schools are not providing counselling for financial reasons. The Conservatives' 2015 election manifesto said that school funding would be protected. It is not. For the first time in 20 years, it is being protected in only cash terms, not real terms, which is leading to teacher shortages and failure to provide support services. The education services grant is supposed to provide such services, but it has been subject to savage cuts. Will the Minister tell the House how he

really expects schools to respond to the increasing demand from children with additional needs, when the schools do not have the funding to provide for it?

Lord Nash: A number of support systems and toolkits are available in the department. Any school that uses our toolkits, particularly following the new fairer formula we are bringing in, should be able to manage on their budgets.

Baroness Hollins (CB): My Lords, are there any plans for the CQC and Ofsted to work together to inspect how well schools are looking after the mental health and well-being of their children?

Lord Nash: The noble Baroness makes a good point. We certainly will involve the CQC in looking at the accountability of children and young people's mental health services. We are considering whether to involve Ofsted.

Lay Magistrates Ouestion

3 pm

Asked by Baroness Bloomfield of Hinton Waldrist

To ask Her Majesty's Government what steps they are taking to encourage more people to come forward to train as lay magistrates.

The Advocate-General for Scotland (Lord Keen of Elie) (Con): My Lords, while magistrates' recruitment is the responsibility of the Lord Chief Justice, the department is supporting the judiciary in endeavouring to improve the application process to make it more accessible and suitable for a wide range of applicants. There is generally no shortage of applicants for the vacancies that arise.

Baroness Bloomfield of Hinton Waldrist (Con): I thank my noble and learned friend for his reply. As he will be aware, the number of lay magistrates has plummeted in the past 10 years, from 30,000 to 17,000 today, and is predicted to fall to 11,000 in 2020. Can the Minister assure me that the drive for diversity, which I strongly support, is not compromising the principle of merit that should apply to all public appointments? Does he agree that the solution lies in more prominent and proactive recruitment drives?

Lord Keen of Elie: While the number of serving magistrates has reduced significantly in the past decade, it is important to make it clear that this is not indicative of any difficulties with recruitment. The reduction in the number of magistrates is due primarily to changes in workload. Recruitment is undertaken in each local justice area, with 44 advisory committees responsible for recruiting and selecting magistrates. Of course, the aim is to recruit on the basis of talent but to ensure that talented people represent all backgrounds and communities they serve.

Lord Marks of Henley-on-Thames (LD): My Lords, we have made no progress on diversity in the lay magistracy. At least gender diversity is not a problem, with a roughly equal number of men and women, although ethnic diversity has hardly moved. However, younger people are woefully and increasingly underrepresented. In 2000, about a third of lay magistrates were over 60. Now that figure is 55%. How will the Government address this? Currently, employers must allow staff time off to serve. Will the Government consider offering employers modest incentives as well to encourage recruitment of working-age magistrates?

Lord Keen of Elie: Magistrate remains a sought after role, and competition for vacancies tends to be strong. Advisory committees employ a range of techniques to reach out into their communities for applications to the Bench. This can and does include advertising in public places such as libraries, community centres and the local press. At present, there are no plans to put forward further financial incentives.

Lord Pannick (CB): My Lords, in light of the concern about the age of magistrates, will the Minister look again at the unreasonably low retirement age of 70 for magistrates?

Lord Keen of Elie: I remind the noble Lord that the unreasonably low retirement age of 70 applies also to justices of the Supreme Court.

Baroness Berridge (Con): Statistics from the Ministry of Justice show that 10% of magistrates are from a black and minority ethnic background, but can my noble and learned friend the Minister outline whether there is a specific recruitment drive that also addresses the need for young people from those communities? When black and minority ethnic young people come before a youth justice panel, it is very important that it is representative of their communities in a way that unfortunately the police force that arrested them might not have been.

Lord Keen of Elie: It is of course important that the magistrates' Bench should be representative of the communities they serve, but it is equally important that we have regard to the skills, experience and talent required of those who sit on it. That tends to come with age and experience.

Lord Beecham (Lab): My Lords, some 7,000 magistrates will reach retirement age in the next five years. That is something like eight times the membership of your Lordships' House. Fifteen per cent of cases are heard by Benches of two magistrates, yet district judges are still being recruited at salaries of around £100,000 a year. Is not the increasing reliance on district judges, alongside the failure to extend the recruitment of lay justices beyond the middle and upper classes and the impact of court closures, eroding the concept of local justice rooted in a sense of local community?

Lord Keen of Elie: The noble Lord draws attention to a number of issues concerning the disposal of cases between the district court and the magistrates' court. That will be further addressed in detail as we proceed with the prison and courts reform Bill, which is presently

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[LORD KEEN OF ELIE]

under consideration. I reassure the noble Lord that there is no attempt to direct recruitment towards particular social classes or backgrounds. The 44 advisory committees responsible for recruiting magistrates in England and Wales are concerned to ensure that they recruit talented people from all backgrounds and all communities.

Lord Foulkes of Cumnock (Lab): Has the Minister noticed, as I have, that in response to powerful pleas from Peers on all sides he and his noble friend Lord Nash have merely read out extracts from the brief provided by their civil servants? Are Ministers in the House of Lords no longer allowed to say, "I'll take that back and discuss it with my colleagues"?

Lord Keen of Elie: I was not aware that the noble Lord had read my brief before I arrived in the Chamber. I rather think that if he did he did it in a cursory manner, because I can assure him that the answers I have given have not simply been a recitation of what was in the written brief.

Lord Faulks (Con): My Lords, my noble and learned friend referred to the reduction of workload among magistrates. Can he confirm that that is at least in part due to the reduction in the rate of crime in the UK at the moment? Will he also register his and the Government's approval of the contribution that magistrates make to the criminal justice system? I think they decide something like 90% of all cases.

Lord Keen of Elie: My noble friend is absolutely right: more than 90% of all criminal cases are disposed of by the magistrates' Bench. If I may read a little further-

Noble Lords: Oh!

Lord Keen of Elie: —it might be noted that of course they take on an increasing burden but against the background of a decreasing rate of criminal activity.

Lord West of Spithead (Lab): My Lords, the captains of RN ships are trained, to an extent, as lay magistrates to conduct summary trial, and they must form a nice pool, when they retire, to go into this area. Does the Minister agree that if we had more ships and more people, this would help?

Lord Keen of Elie: The noble Lord raises an interesting cross-departmental issue. One downside to his proposal would be its negative impact on our concern to ensure the age spectrum of those sitting on the magistrates' Bench.

Business of the House

Timing of Debates

3.07 pm

Moved by Baroness Evans of Bowes Park

That Standing Orders 46 (No two stages of a Bill to be taken on one day) and 48 (Amendments on Third Reading) be dispensed with on Tuesday 7 March to allow the Report stage and third reading of the European Union (Notification of Withdrawal) Bill to be taken on that day and to allow manuscript amendments to be tabled and moved for the third reading.

Motion agreed.

Digital Economy Bill

Order of Consideration Motion

3.07 pm

[LORDS]

Moved by Lord Ashton of Hyde

That the amendments for the Report stage be marshalled and considered in the following order:

Clauses 1 to 4, Schedules 1 to 3, Clauses 5 to 14, Clauses 28 to 30, Clauses 15 to 27, Clauses 31 to 94, Schedule 4, Clauses 95 to 99, Title.

Motion agreed.

European Union (Notification of Withdrawal) Bill

Second Reading (1st Day)

3.07 pm

Moved by Baroness Evans of Bowes Park

That the Bill be now read a second time.

The Lord Privy Seal (Baroness Evans of Bowes Park) (Con): My Lords, it is an honour to open this two-day debate for while the Bill is short and straightforward, it is historic. The fact that 187 noble Lords will contribute to its Second Reading is testament to the seriousness with which this House takes its constitutional duty to scrutinise legislation. The challenge of responding will fall to my noble friend Lord Bridges of Headley and I can think of no one better equipped to tackle this daunting task.

In May 2015 a Conservative Government were elected with a clear manifesto commitment to,

"negotiate a new settlement for Britain in the EU",

"ask the British people whether they want to stay in on this basis, or leave",

and to.

"honour the result of the referendum, whatever the outcome".

The Government have delivered on these commitments. This House passed an Act to deliver a referendum without placing conditions on the result. On 23 June 2016, the British people delivered their verdict. The Bill is not about revisiting that debate; rather it responds to the judgment of the Supreme Court that,

"an Act of Parliament is required to authorise ministers to give notice of the decision of the UK to withdraw from the European Union".

It asks Parliament to confer on the Prime Minister the power to notify and commence formal negotiations for withdrawal from the EU.

Many views have been expressed about what might be expected from your Lordships' House as we scrutinise the Bill. Some have asserted that this House will

ignore the referendum result and seek to use the Bill to frustrate the process of leaving the EU. As someone who understands our collective sense of responsibility to our important constitutional role, I do not share those concerns. I am confident that noble Lords will take a constructive approach in our deliberations. I am under no illusions about the challenge and rigour that will be evident in our debates, and that is right and proper. Noble Lords bring a wealth of expertise to our proceedings and it is precisely when we bring this to bear that we show this House at its best. But I also know that noble Lords respect the primacy of the elected House and the decision of the British people on 23 June last year.

The Bill was the subject of detailed debate in the other place and was passed unamended with an overwhelming majority of 372. It comes to us with a strong mandate from both the people and the elected House. We should not overlook that. Although this is an important Bill, it simply allows the Government to start the process of withdrawing from the EU. Clause 1(1) confers on the Prime Minister the power to notify, under Article 50 of the Treaty on European Union, the United Kingdom's intention to withdraw from the EU—a decision taken by the people of the United Kingdom.

Clause 1(1) also gives the Prime Minister the power to start the process to leave Euratom, because although Euratom is constituted under a separate treaty, the European Union (Amendment) Act 2008 made it clear that the term "EU" as used in legislation includes Euratom. Euratom is a separate treaty-based organisation but uses the same institutions as the EU. So as a matter of EU law as well as UK law, the treaties are uniquely joined. Triggering Article 50 also entails giving notice to leave Euratom. While our future relationship with Euratom will be a matter for the negotiations, the Prime Minister has been clear that this is a priority area. Our nuclear industry remains of strategic importance and leaving Euratom does not affect our aim of maintaining effective arrangements for civil nuclear co-operation, safeguards, safety and trade with Europe and our international partners.

Clause 1(2) makes it clear that the power to trigger Article 50 may be conferred on the Prime Minister regardless of any restrictions in other legislation, including the European Communities Act 1972. The Bill is the legal means by which to give the Prime Minister power to commence withdrawal negotiations, and nothing more. The Bill is not the place to try to shape the terms of our exit, restrict the Government's hand before they enter into complex negotiations, or attempt to rerun the referendum. The Bill is the beginning of a process and a discussion we will be having in this House and the other place for years to come. The legislative programme that follows the Bill will be a huge task but one on which I am sure all sides of the House will work together constructively. The Chief Whip and I will work through the usual channels to ensure that we continue to be able to do our valuable work effectively.

Looking ahead, the Prime Minister has set out a global vision for the UK outside the European Union. We want a comprehensive new partnership with the EU and we want the right deal for the whole of the United Kingdom. The Government have ensured since

the referendum that the devolved Administrations are fully engaged in our preparations to leave the EU because a good deal will be one that works for all parts of the UK. The Government's White Paper sets out in detail our 12 objectives for the negotiations. As noble Lords will know, they are: to provide certainty and clarity wherever we can; to take control of our own laws; to strengthen the precious union of the United Kingdom; to maintain the common travel area with the Republic of Ireland; to control immigration to the UK from Europe; to secure the rights of EU nationals in the UK, and UK nationals in the European Union; to protect and enhance workers' rights; to pursue a bold and ambitious free trade agreement with the EU; to secure new trade agreements with other countries; to ensure that the UK remains the best place for science and innovation; to continue to co-operate with our European partners in important areas such as crime, terrorism and foreign affairs; and to deliver a smooth and orderly exit from the EU. In negotiating our new partnership, we want to be good neighbours and strong partners. We are leaving the EU but we are not leaving Europe.

As we shape a new future for the United Kingdom, it is right that Parliament plays a full role. We will ensure that Parliament sees as much of our strategy as possible, as long as it does not damage our negotiating position or our national interest, and the Government will bring forward a Motion on the final agreement, to be approved by both Houses of Parliament before it is concluded. We expect and intend that this will happen before the European Parliament debates and votes on the final agreement.

Noble Lords have already demonstrated the value of the work of this House as we prepare to leave the EU. Eleven reports relating to Brexit have been published by our Select Committees, with at least eight more to come in the next few weeks. The first tranche of reports covered issues including the impact on financial services, trade, fisheries, policing and security, and the acquired rights of EU nationals. The government responses will be published over the next few weeks and the committees are well under way on their next inquiries. The EU Committee has produced useful reports on parliamentary scrutiny of the process and UK-Irish relations, and has travelled to Brussels, Strasbourg, Cardiff and Edinburgh as part of this work. I hope that the noble Lord, Lord Boswell, is seated somewhere here—I hope he found a place. I pay tribute to him, to members of the EU Committee and the sub-committees, and to the expert staff who have supported them. Valuable inquiries on Brexit have also been carried out by the Constitution Committee, the Science and Technology Committee and the Joint Committee on Human Rights. The Economic Affairs Committee has announced its own Brexit-related inquiry and I am grateful to the noble Lord, Lord McFall, for his work in bringing together the Brexit liaison group to facilitate co-ordination of activity in your Lordships' House.

Ministers will continue to provide regular updates to Parliament and as we propose to convert the acquis—the body of EU law—into UK law when we leave, it will be for Parliament to scrutinise any changes to our domestic legislation that we make once we have left.

[BARONESS EVANS OF BOWES PARK]

As this House regularly reminds me, the process of leaving the European Union is complex but it is also an opportunity for your Lordships' House to demonstrate the valuable role that we can play. I know that the great repeal Bill will be of particular interest but it will be only one of a number of Bills brought before Parliament during the process of exiting the EU. From immigration to customs, this House and the other place will have a huge number of opportunities to help shape the future direction of our country—and, I believe, to do so for the better.

The Government are determined to trigger Article 50 by 31 March to deliver on the decision of the British people. The Bill before us is a procedural part of that withdrawal process. I welcome the constructive tone we have heard from the Opposition, saying that they will not seek to frustrate this process while of course undertaking the scrutiny role that we are here to perform. Leaving the European Union offers our nation many opportunities. I am committed to working with all noble Lords to ensure that we achieve the right deal for Britain. This Bill confers on the Prime Minister the power to begin the process of leaving the EU and I commend it to the House. I beg to move.

3.20 pm

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Baroness Smith of Basildon (Lab): My Lords, I thank the noble Baroness for her opening comments. As she was hunting for the noble Lord, Lord Boswell, in the sea of faces today, it struck me how pleasing it is to see such a full House on the first Monday back after recess, and we extend a welcome not just to all noble Lords who are in their place but to distinguished guests visiting from the other place. All of us will be spending a lot of time together over the coming days and weeks, and I thank my noble friend Lady Hayter for volunteering to wind up for our Benches tomorrow evening

Last year on 23 June, this country held an historic referendum with a straightforward, direct question: "Should the UK remain a member of the European Union, or leave the European Union?". It required a straightforward, direct answer: a single cross in either the remain box or the leave box. The result of that referendum, although hardly overwhelming, was clear in favour of leaving the EU, but although the question was simple and straightforward, the simplicity ended there. For those charged with implementing the decision, it has been anything but. It led to the resignation of a Prime Minister who had promised that whatever the result he would stay and see it through, it led to the Government going to court to avoid seeking parliamentary approval on an issue that was supposed to be about sovereignty, and it exposed the lack of preparation for a leave vote.

That lack of government planning has created a vacuum in which uncertainty has thrived. "Brexit means Brexit" was perhaps the most unwise of all statements following the referendum—it just served to highlight that void. Until the two years of negotiation have ended, and until the pompously, and hopefully inaccurately, named "great" repeal Bill and consequent legislation have been completed, none of us knows what Brexit will look like, and that has created and

fuelled uncertainty for businesses, universities, science, and environmentalists and, worryingly, for EU citizens living and working in the UK and UK citizens living and working in other EU countries. It has become obvious that no thought had been given to our citizens in Gibraltar or to the implications for Northern Ireland and the Good Friday agreement.

A recent report identified 1957 as the happiest year of the last century. It was a good year. It was the year that my mum and dad met, and I followed soon after. Why was it the happiest year? It was not just because of that. It was a time of low wages and poor housing and we had not yet had the benefit of the social and reforming legislation of the 1960s and 1970s, but it was a time of optimism. Few of our young people today—the millennials, as they are often termed—will talk with such optimism for the future, faced as they are with job and housing insecurity and a world that seems to be becoming increasingly more dangerous. Obviously, not all of that anxiety is a knock-on effect of the referendum, and membership of the EU would not solve all our problems, any more than it caused them. But 1957, with the horrors of the war years fading, was also a time of hope with a brighter future ahead, and let us not forget that in that same year, 60 years ago, part of that optimism led to the treaty of Rome.

While accepting that today's EU is wider in shape and influence than the earlier models, we should acknowledge the vision of those men and women who wanted to see countries across the European continent knowing and understanding each other and at peace with one another. With so much of the debate around Brexit being about business and the economy, we should take care never to lose sight of that vision, and we should never take peace for granted. We still have battles to fight, even though wars are not fought between European countries. We have battles to fight in tackling serious and organised crime, terrorism, money laundering, drugs, child abuse and people trafficking, so we must continue working together across borders on these issues and on security, where we have taken a leading role in the European Union. The fact that around 190 speakers have signed up to speak today and tomorrow shows not just the depth of feeling on this issue but the expertise that is available here in your Lordships' House. I hope the Government will make use of that, and I welcome the noble Baroness's comments on that in her speech.

Many on both sides of this issue are angry and worried. Like many other noble Lords, I have received numerous emails. Some want us to block Brexit, while others consider any debate and discussion, or any amendments we may pass, as a constitutional outrage. Much of the work of this House is undertaken away from the public gaze, and even those with an interest in Parliament will be more familiar with the work of the elected Chamber. With some of the ill-informed reports and comments, and when certain newspapers call judges, "Enemies of the People", we should not be surprised that our role is often misunderstood, and that some exaggerated and inaccurate outrage has been hurled at your Lordships. But we should be surprised and angry with those who should know better. MPs, even Peers from your Lordships' House

and an anonymous "government source" have threatened this House with 600 or 1,000 extra Conservative Peers to get this legislation through, or with abolition. I had to point out to one Conservative MP that it would take around two years to get 1,000 new Peers, which might be a little too late for this Bill.

We will not be threatened into not fulfilling our normal constitutional role—neither will we be goaded into acting irresponsibly. We have to have a serious and a responsible debate, and in doing so, if we ask the House of Commons to look again at an issue, it is not a constitutional outrage but a constitutional responsibility. It is the House of Commons that will, as always and quite rightly, have the final say. So let us be very clear. As I have said so many times before, in your Lordships' House and publicly, we will not block, wreck or sabotage the legislation before us. Whatever our personal views, disappointments and genuine concerns for the future, that is not the role of this House. However, as I have also said, neither should we provide the Government with a blank cheque. It would be irresponsible to merrily wave the Government off to negotiate our future without parliamentary engagement or accountability, and merely ask them to return two years later with a deal. If sovereignty is to mean anything, it has to mean parliamentary responsibility.

This legislation is the first stage of a process by which the Prime Minister can invoke Article 50 to start negotiations to leave the European Union, and will lead to the so-called great repeal Bill, by which we will start to bring provisions derived from EU law into UK law. We will treat this Bill appropriately, and as seriously as we do all primary legislation. As evidenced from the amendments already tabled, we will seek improvements, encourage ministers to make reasonable changes and possibly—just possibly—ask our colleagues in the other place to reconsider on specific issues. That is not delaying the process, it is part of the process and has no impact on the Government's self-imposed deadline. We will work, as we always do, with others across your Lordships' House, including noble Lords on the government Benches.

As we have already seen from the excellent Lords Select Committee reports, many of the issues to be addressed are complicated. They are complex and require wisdom, experience, thoughtful strategy and serious negotiation. Whether it is the issue of the Irish border or trade policy, of our fishing industry or of fighting crime and remaining at the forefront of dealing with security issues, this is not going to be easy.

The Bill is very specific and about process rather than outcomes. But process is important. Both those who advocated this path and those charged with implementing the outcome bear a heavy responsibility. Our negotiating teams will need the best possible support. They will need to scrutinise. They will need to challenge. The motivation to get the best possible deal will be driven by understanding the complexities involved, not a glib confidence that it is all going to be fine. The process of Brexit cannot be run solely by those who have no doubt. It has to engage those who fear the worst and will work for the best. After the division of the referendum, the Prime Minister has to make this a Brexit not just for the 52% but one that is

also understood by the 48%. We should also consider those who at 16 and 17 were denied the opportunity to vote on their future.

Ministers frequently state how the scrutiny, challenge and revision function of this House improves legislation. That is our sole purpose. Our amendments are guided by key principles and have been drafted after reflecting on the debates in the other place and comments made by Ministers. They include parliamentary engagement to ensure that the UK Parliament is not less engaged or less informed than the European Parliament or other national parliaments; a meaningful vote on negotiations; immediately protecting EU citizens living in the UK; and our commitment to the Good Friday or Belfast agreement, which has helped to secure peace and a soft border with our nearest European neighbour, the Irish Republic. When the Bill was agreed by the House of Commons, it was after Government commitments on some of those issues, as helpfully indicated by the noble Baroness the Lord Privy Seal, so would it not be helpful if they were written into the Bill itself?

Parallel to the negotiating process as we debate the great repeal Bill and subsequent legislation, we will do our utmost to ensure that ministerial promises not to dilute employment and social rights or environmental and consumer protections are kept, and that bringing these issues into UK legislation is about sovereignty, not weakening legislation. As we have already heard, the ongoing work of our EU Select Committees will be of significant value to the Government throughout and beyond the Brexit process. I am pleased that the noble Baroness the Lord Privy Seal and the noble Lord, Lord Bridges, have recognised that today.

Given that the Prime Minister is playing catch-up on Brexit, with her Government distracting themselves and Parliament with a challenge to the court ruling and dithering over the White Paper, we now need a more mature approach. This is a defining moment for our country. There must be some acknowledgment from the Government that this process is not just about the legislation before us and where it leads but about the need to craft a new vision for our role in the world that is realisable and sustainable, brings our country together and gives hope and optimism to our young people and the generations to come. Our scrutiny of this process over the coming months and years will hold to that vision.

3.32 pm

Lord Newby (LD): Well, my Lords, finally we have the Article 50 Bill. If the Government had brought it forward last July, six months of delay could have been avoided. Since then, three things in particular have happened that require us to take stock and to fashion a response.

First, there was the deliberate decision of the Prime Minister to prioritise control of EU migration and the severing of links with the European Court of Justice over membership of the single market and the customs union. As George Osborne put it, they have,

"chosen ... not to make the economy the priority in this negotiation".—[Official Report, Commons, 1/2/17; col. 1034.] Although some seek to portray that as an inevitable consequence of the 23 June vote, it was not. Many

[LORD NEWBY]

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prominent Brexit supporters, including Nigel Farage, Dan Hannan and the Brexit Secretary himself suggested that we might remain in the single market—for example, by adopting the Norwegian precedent. So the decision to rip us out of the single market was a deliberate choice by the Prime Minister, and one that deserves to be challenged.

Secondly, as a consequence of the form of hard Brexit chosen by the Government, they have been forced to pivot our trade and indeed our political priorities towards the USA, and they have done so with unalloyed enthusiasm. In any era this would be a risky strategy, but the election of Donald Trump makes an America-first policy by this country not only risky but demeaning. The bold assertion by the Foreign Secretary that the US "shares our values" is unsustainable under a Trump presidency. On a wide variety of frontsnot just his ban on asylum seekers but on free trade, climate change and relations with Russia and Iran—Trump's policies are opposed to British values and interests. I am sure the Prime Minister is acutely aware of this, yet her headlong rush to the US, offering them the trinket of a state visit, only serves to underline her weakness and the weakening position of the UK.

Lord Dobbs (Con): My Lords, will the noble Lord give way?

Lord Newby: No, my Lords. There are 190 other speakers; the noble Lord will have his chance.

Thirdly, we have now had the White Paper setting out the Government's negotiating stance. With the stark exception of its rejection of the single market and the European Court, the White Paper is a rather horrifying mixture of pious aspiration and complacent illusion. The Prime Minister's preface sets the tone. British exceptionalism abounds. We have,

"the finest intelligence services, the bravest armed forces, the most effective hard and soft power".

What is more, according to the White Paper,

"the country is coming together",

with

"65 million people willing us to make it happen".

The whole tone portrays the UK as a sort of a fettered giant, a national equivalent of Clark Kent which, having entered the Brexit telephone booth, can emerge as a Superman ready to take on the world and win. Either the Prime Minister believes this, which is deeply worrying; or she hopes that by whistling a happy tune, all will work out well, which is scarcely more reassuring.

In view of these developments, how should this House approach the Bill before us? Can we and should we seek simply to send it on its way, or can we and should we seek to amend it? On the first question, the answer is crystal clear. We have the power to ask the Commons to think again on any piece of legislation, large or small. I hope the Government will accept that. When we had the Statement in response to the Supreme Court ruling on 24 January, the Minister, the noble Lord, Lord Bridges, said that,

"we in this House, as an unelected Chamber, need to tread with considerable care on this issue as we proceed". The clear implication was that we should not be pressing amendments. In response, however, the noble Lord, Lord Rooker, replied:

"It would be very useful if, when we debate this Bill and there are opposing views and we ask the other place to think again, we do not have Ministers, or anybody else, talking about constitutional crises. This place cannot have the last word. A Government defeat in your Lordships' House is simply a request to the Commons to look at the issue again—that is all it is".—[Official Report, 12/1/17; cols. 561 and 567.]

That sums up the position perfectly.

I therefore hope that Ministers in this House will not mimic the attitude of some of their colleagues in another place by dismissing concerns or queries raised by Members of your Lordships' House as merely opposing the will of the people or by saying that we are trying to obstruct the process. No significant body of opinion in this House is seeking to prevent the passage of the Bill, but there is a world of difference between blocking the Bill and seeking to amend it.

So, if we clearly have the power to amend the Bill, should we positively seek to do so? I believe that we should. Brexit is the most important single issue which has faced the country for decades. For many of us, the approach being adopted by the Government is little short of disastrous. For those of us—and there are many in your Lordships' House—for whom Europe has been a central theme of our entire political lives, to sit on our hands in the circumstances is both unthinkable and unconscionable.

Many of us throughout the House have always been proud internationalists. We have a profound and deep-rooted commitment to partnership with our European neighbours, a partnership which has resulted in a peaceful Europe where we work in co-operation with one another to overcome common adversaries—climate change, disease, organised crime, terrorism—and to share in the benefits of close relations with our neighbours. How could we possibly justify supine acceptance of what the Government are proposing to ourselves, let alone to others who are watching?

How then should be seek to amend the Bill? There are several sorts of amendments that were debated in the Commons. These amendments related to parliamentary scrutiny, to the role of the devolved Administrations, to impact assessments and to negotiating priorities, from the relationship to the single market to the rights of EU citizens in the UK. All of these are extremely important areas. We on these Benches will want to work across the House with others who seek to pursue them, but for us the key question as we begin the negotiations is: what happens at the end of the process? The Government were not given a blank cheque by the electorate. Voting for departure is not the same as voting for a destination.

If and when the Prime Minister reaches a Brexit deal, who will ratify it on behalf of the nation? Only three bodies could do so: the Government, Parliament, or the people as a whole. The Government have already said that they will give Parliament a vote on the deal, although at present they seem to be willing to offer a vote on only one option—to accept the deal or crash out of the EU. We will of course seek in your Lordships' House to give Parliament a more meaningful role at the end of the process, but even if we succeed, Parliament,

having decided to ask the people to express a view on whether they wished to leave the EU, should not have the final say. If only parliamentarians had had a vote in the referendum, our future EU membership would be secure. Both MPs and Peers overwhelmingly thought that our better interests were served by staying in the EU, including, of course, many members of the current Administration—not least those in your Lordships' House

At the end of the process initiated by the people, only the people should have the final say. I realise that many in your Lordships' House are strongly opposed to referenda and shrink from the prospect of having any more, but we now have a country more deeply divided on Brexit than ever. The anger of those who wanted to leave is now matched by the growing anger of those who wish to remain—particularly our young people. If at the end of this process we are to come together as a country, we need to dissipate this anger, and we believe that giving the people the final say will help to do so.

I must also challenge those many Members of your Lordships' House who have approached me and my colleagues in recent weeks to say that they believe Brexit is a catastrophe for the country and fervently wish to avert it. How, other than a referendum, do noble Lords think this could be seen to be done legitimately? Having remitted power over our membership of the EU to the people, who but the people could ultimately exercise the power to think again? Of course, the idea of such a referendum should not be alien to the Government. David Davis has argued over a number of years for what he calls a "decision" referendum at the end of the negotiating process. He has not said much about that in recent months but he did let his guard slip in concluding his Second Reading speech on the Article 50 Bill in the Commons when he quoted Gladstone, who said: "Trust the people". Trust the people. My Lords, we agree.

3.44 pm

Lord Hope of Craighead (CB): My Lords, my record in referenda has been mixed. Where I live north of the border I have taken part in three in recent years. I voted no in the referendum for devolution for Scotland in 1997, and the result went the other way; I voted no in the independence referendum in 2015, and the result fortunately went the way I voted; and I voted remain in the referendum last June—and as we all know, the result went the other way again. One out of three is my score so far, but my response to the result of all three is the same.

I recall clearly being challenged in this very place by a former Law Lord, Lord Wilberforce, when I spoke in a debate on the Scotland Bill, which followed the result of the referendum in 1997. With a genuine look of puzzlement on his face, he asked, "Why do you support devolution?". "Because I believe in democracy" was my reply. These five words sum up the position that I find myself in now. Not only is there the result of the referendum itself but also the fact, as the noble Baroness the Lord Privy Seal reminded us, that there was a resounding majority in support of the Bill in the other place.

Therefore, however much I and the many, many others who have written to us during the past few days might wish that it were otherwise, I am convinced that there is no turning back. As it is, I confess to a keen desire to get on with the Article 50 process as soon as possible. I want to know where we are going. It has been made clear to us many times, particularly by the Minister, that the Government will not reveal their hand until notification is given and the process of negotiation is started. I am speaking only for myself, as I must do from this position on these Benches where all others speak for themselves, when I say that I find this acutely frustrating. I want the process to happen without delay so we can start focusing on the detail of the many issues of concern to us, both of substance and of procedure.

As for the wording of the Bill, its brevity calls to mind remarks made about legislation in a debate initiated by the noble Lord, Lord Butler of Brockwell, a few weeks ago: how good it is to find a Bill which says what it wants to say in as few words as possible; how good it is to have a Bill which does not have a Henry VIII clause—and, as the Explanatory Memorandum points out, there is no sunset clause, either. After all, the sun will scarcely have risen by the time the Bill's purpose will have been spent. Is it too much to hope that the so-called great repeal Bill will measure up to those standards? Of course, this Bill leaves many questions unanswered on which we will wish to hold the Government to account. However, I do not see it as the function of the Bill to tie the Government's hands before they proceed to invoke the article.

Let the Government have their Bill, I say. However, I would caution the Government against thinking that by introducing this legislation they have done all that the Supreme Court's decision in Miller requires. Brevity is all very well but much more lies ahead. If passed, the Act will give the Government all the authority they need to give notification of the UK's intention to withdraw from the EU under Article 50. That is what the Bill says. However, the notification does no more than start the Article 50 process. The article makes it clear that the process involves two more stages, both mentioned in the article: negotiation, and the concluding of an agreement between the Union and the state in question. The Bill says nothing about these two further stages. I do not think it needed to give the Government the authority to negotiate, as none of the rights of the people who have written to us will be affected or lost at that stage. However, the concluding of an agreement is another matter entirely. The Bill does not say anything at all about that stage of the process.

The White Paper—written, of course, after the Bill was published—now tells us that the Government will put the final deal agreed between the UK and the EU to a vote in both Houses of Parliament. That was confirmed by the Secretary of State in the other place on 7 February when he said that it was intended that the final agreement would,

"be approved by both Houses of Parliament",

and that,

"this will happen before the European Parliament debates and votes on the final agreement".—[Official Report, Commons, 7/2/17; col. 274.]

[LORD HOPE OF CRAIGHEAD]

The timing is right, but obtaining approval by a resolution in Parliament is not the same thing as being given statutory authority to enter into that agreement—or, indeed, to withdraw from the EU if there is no agreement.

There is a respectable argument, which other noble—and noble and learned—Lords may say something about later in this debate, that only Parliament has the constitutional authority to authorise, by legislation, the concluding of an agreement with the EU or the act of withdrawal if that is what the Government decide that they have to do. As the Supreme Court said in Miller, at paragraph 123, a resolution of Parliament is an important political act, but it is not legislation and, "only legislation which is embodied in a statute will do".

That was why the court held that the change in the law that would result from commencing the Article 50 process must be made in the only way that our constitutional law permits: namely, through parliamentary legislation, which is where we are today. The argument that the Government may face is that the same reasoning must be applied to the final stage in the process, too. Even if there is some doubt about this, legislation would provide legal certainty. It would minimise the risk of further legal challenges.

All I am seeking to do is to caution the Government against thinking that this Bill on its own will give them all the authority they need, or that obtaining approval for an agreement by resolution is the same thing as being given statutory authority to conclude that agreement. They could have provided for that in this Bill, perhaps using the same formula as in Clause 1, by saying that the Prime Minister may conclude an agreement with the EU if the agreement has been approved by both Houses—but it has not done so. I must make it clear that I will not be asking for the Bill to be amended. Others may do so but, so far as I am concerned, it is up to the Government. My point is that they cannot escape from the effect of the Miller decision when we reach the end of the negotiation. It is all about respecting the sovereignty of Parliament. The law will see to that whatever the Government think, as it always does. I do hope that the Government will be sensible about this, and that further recourse to the courts will not be necessary.

3.52 pm

The Lord Bishop of Southwark: As many in your Lordships' House are aware, my diocese covers most of south London and east Surrey. The voters there opted to remain in the European Union on 23 June 2016 by some margin; in the borough of Lambeth, where I live, nearly 80% of those voting opted to remain. Only in Sutton and in Surrey did votes tip the other way. What I have occasionally heard articulated, but have yet to see in action, is how the aspirations of those people—and indeed, if one thinks more widely, Londoners in general, or Scots, or the people of Northern Ireland or simply people under the age of 45—are to be taken into account. The majority of all these groups voted to remain. If we adopt a model for leaving the EU that ignores them, we risk a regional divide, generational resentment and a threat to the union.

The campaign, like that of 1975, was passionate and defining. Unlike 1975, it rode on divisions which

have yet to pass away. Unlike 1975, there was little sophistication of argument in terms of what it is to be European, or detail as to what the alternative narrative for our place in the world might be. We should seek to mitigate the centrifugal forces unleashed. The Prime Minister, in her speech of 17 January, spoke of our European identity. It is time, both in these negotiations and without, to take practical steps to recognise this simple fact of geography and the cultural ties we share.

Arguably, we have more in common with the countries of western Europe than we do, for example, with the United States of America. For Her Majesty's Government to respond more positively than they have done to amendments on the residence rights of EU citizens already living here would be one such practical action, but there must be others. The land border in Ireland is also of special concern. In addition, there is something providential in the untapped potential of our associations with the Commonwealth, a truly global entity. Such acts of affirmation that we are citizens of Europe would do something to assure the 48% that they are not ignored.

The issue around EU residents is not simply one of a quid pro quo for the 1.2 million to 2 million British citizens in other EU countries; it is about dealing with the uncertainty that stigmatises millions of our neighbours and erodes the common good.

It is good to read in the Government's White Paper that, even in the EU, Parliament remains sovereign. It is in that light that I hope the Government will accept that the origins of persistent attempts to amend this Bill lie partly in their own resistance to parliamentary scrutiny of the process of leaving the EU. We do not legislate by plebiscite, nor do we govern solely by decree. We have, perforce, in recent months, under pressure and under judicial direction, rightly evolved a practical understanding of proper scrutiny in the second Chamber based on the constitutional bedrock of the Queen in Parliament rather than, as hitherto, the bare exercise of the royal prerogative. As I speak, the Prelates and Barons who scrutinised Magna Carta are looking down upon our deliberations, so there are long established precedents for the solemn task entrusted to us by the Bill. Our Writ of Summons commands us to attend to assemble for "arduous and urgent affairs" and to give "counsel".

A fresh approach by the Executive of partnership with the legislature may indeed make this time in the life of our nation much more fruitful, not least because those with whom they must negotiate are not likely to prioritise solely economic considerations; otherwise, we may find that the Government's confidence in the ease with which a deal may be struck is misplaced, and Parliament will be merely a frustrated bystander. Despite these and many other concerns shared by my colleagues on this Bench about the terms of our exit and our future relationship with the EU, I recognise that the Bill before your Lordships' House is primarily about process rather than substance.

The electorate voted last year to leave the EU. Despite the vagaries of the European Union Referendum Act, it was clear that voters understood that they were, in effect, making a decision, not merely expressing an opinion. They did so in sharply differing numbers

riven by age, income, qualifications and location. Regrettably, many parts of the country that have most benefited from EU funding voted decisively, if quixotically, to leave. The Bill in the form in which it comes before your Lordships passed the elected House with a large majority. The subject of what Britain's future relationship with the EU should be remains an open question and should rightly be subject to intense debate and scrutiny. The Government will ease the Bill's passage if they give way on scrutiny. It is the view of a number on these Benches, including my noble friend the most reverend Primate the Archbishop of Canterbury, who regrets that he is unable to be here today, that it would be preferable not to weigh down the Bill with additional provisions. For these reasons, I take the view that, where there is a choice on offer between government assurances and the passing of amendments to the Bill, the more sensible course would be to bank the former and avoid the latter.

Lord Taylor of Holbeach (Con): My Lords, at the last count, 179 Back-Benchers had signed up to speak in this debate. I have no wish to add to that number. However, noble Lords will know that we have adjusted the Sitting time tomorrow to take account of the unusually high demand from Members to speak across the two days. It may also be for the convenience of the House if I note that, if Back-Bench speeches average six minutes each, as recommended, we expect the House to rise around midnight both today and tomorrow. I hope that noble Lords will take note of that.

3.59 pm

Lord Hague of Richmond (Con): My Lords, it is an honour to be asked to set the first example of sticking to six minutes before the 178 speeches that follow. I declare my interests, non-financial and financial, in many organisations with an interest in EU membership: as chair of the Royal United Services Institute, as a director of Intercontinental Exchange, as an adviser to Citigroup, Linklaters and Teneo, and as a speaker for many organisations for a lot longer than six minutes.

I voted to remain in the European Union but I support the Bill, because the referendum was decisive. It was decisive because there was such a high participation—more people voted to leave the European Union than have ever voted for any British Government in history; because so many parts of the UK, although not all of them, voted that way; and because people were promised a referendum in the manifesto of the governing party of the country, and were promised that it would be decisive. Attempts to refight that referendum, which have begun a little in the last few days, are a great error. To ask people to "rise up" to fight Brexit—the words a few days ago of the former Prime Minister Tony Blair—is a great mistake. I have enormous respect for him-more than many in his own party have—particularly as he roundly defeated me in the 2001 general election. But if, nine months after that, I had asked people to "rise up" against the result, Mr Blair would not have been amused. He would have told me to listen to the voters and to abide by the result. The same advice can be given to him in these circumstances.

If there was a real chance of rising up successfully against leaving the European Union, it would open up the most protracted, bitter and potentially endless conflict in British society and politics that we have seen since the decades of debate on Irish home rule, and possibly even longer than that. It is not in the interests of our democracy and the governance of our country to do so. If there is no or little prospect of that succeeding, to ask people to rise up against it serves only to strengthen the hand of some in the EU who believe that if they make the negotiations difficult enough, we will somehow lose heart, which does not help a successful, negotiated outcome.

In any case, a country cannot go round in circles. Opinion will vary over the next few years. Opinion polls will say that people do not agree with leaving the EU any more, and then, six months later, that they do agree. But we cannot leave the EU in 2017, remain in it in 2018, and leave it again in 2019; by 2020 we will be too confused to know what we are doing. A country cannot go around in circles. A decision was made in the referendum. I take issue with the noble Lord, Lord Newby, saying that people "expressed a view" in the referendum. That has a casual connotation to it, suggesting that they sauntered by the ballot box on 23 June and "expressed a view" about whether we should be in the EU. They made a decision in a process that was intended to be decisive and which was agreed at the time to be decisive. Therefore, as someone whose preference was to remain in the European Union, my second preference—given that my first is not available—is to leave it with some degree of unity, good order, confidence and determination, and for the country to seek advantages from leaving the EU, since we will inevitably have the disadvantages of doing so.

The case for invoking Article 50 is therefore overwhelming, and the case for doing so now is inescapable. There is a need to end the uncertainty—I go a long way with the noble and learned Lord, Lord Hope of Craighead, on this. There are immensely complex negotiations to undertake. There is no reason to delay the start of those negotiations, as some have argued, because there are elections in Germany, France and the Netherlands. It is in the nature of the process set up by Article 50, with a two-year timetable, that the real bargains, compromises, trade-offs and deals will be made near the end of that process, allowing time for the consideration of this Parliament and the European Parliament. Therefore elections across Europe over the next six months are no reason to delay that, as that is not when those decisions will be made. I conclude that it is necessary to do this, and to do it now. Real democratic accountability comes from the Government being able to go to a general election in 2020 and be judged on how they conducted this process, as well as in Parliament beforehand.

If those two things are true, what form should the Bill take? It should take as simple a form as possible. Again, I go a long way with the noble and learned Lord, Lord Hope. I have negotiated in the European Union many times on behalf of this country, and I know that anyone involved in this negotiation will want this legislation to be as simple and straightforward as possible without additions to it that undercut and undermine Ministers' positions. This Bill is pleasingly

[LORD HAGUE OF RICHMOND]

and unusually simple in its construction and content, and that should be welcomed. I fear that amendments of process to the Bill will turn out not to be so well thought out in two years' time and that amendments of policy will undermine Ministers' positions as they seek a successful outcome. Therefore, it is right to invoke Article 50 and to do so now with the simplest Bill that it is possible to bring forward, and I commend Ministers for doing so.

4.05 pm

Lord Cashman (Lab): My Lords, I am particularly pleased to follow the noble Lord, Lord Hague of Richmond, because I do not believe that it is a great error to revisit the principles or that doing so will open up a divide. The divide has opened up and I fear we are living in a very dangerous period of this country's history. It is a time of rising intolerance and intimidation, especially for minorities and minorities' opinions—even minorities of 48%. Now is not the time to add fuel to the bonfire of vanities and emboldened egos; now is the time to pause and reflect. It is indeed a time for calm.

Now is the time to ask that everyone respects fundamental principles of democracy, not least respect for different views and opinions, no matter how hard that may be for some. If we are truly to resolve the EU issue before us, it must be done by reaching a consensus, by taking account of the views of others and by truly trying to unite this divided country.

Therefore, I ask that the media respect, or at the very least cease attacking personally, those whose opinions are different from theirs and the opinions that they purport to represent on behalf of their readers, listeners and viewers, and to recognise that we too hold opinions in good faith. I ask that they also respect the independence of the judiciary in all its branches, whether the High Court, the Supreme Court or the Bench of magistrates, and that they acknowledge unequivocally that the rule of law and an independent judiciary define a democracy and protect those who seek its justice, especially in a country without a written constitution.

Like other noble Lords, I have been inundated with emails asking me to oppose Brexit, to protect the single market and freedom of movement, and to protect the fundamental rights that arise from the treaties—not least non-discrimination on the grounds of race, ethnicity, religion, belief, age, disability, gender, sexual orientation and gender identity, as well as environmental rights and protections. They ask, too, that I protect the rights of EU nationals living, working and studying in this country and, quite rightly, UK nationals living, working and studying in other parts of the EU. Their voices should be heard in the national debate and not be drowned out merely because they are part of a minority—a minority of more than 16 million people who voted.

Indeed, any civilised society and democracy worth its name is judged by how it treats its minorities and the dissenting opinions within. It is our duty to give a voice to the voiceless and to enable those who would otherwise be intimidated and silenced to be heard. Yet I am told that the minority must know its place and

accept what the majority have decided. Well, I want to make a couple of points. If that were the case, I would argue that, once we have elected a Government, we should let them govern and there should be no opposition parties or debates during their period of office. I know that that is attractive to some but it is not the route of democracy.

Secondly, I have for my entire adult life fought those who have purported to represent the majority and political parties that have argued and voted against equality. Every step of the way, especially when I lost, I redoubled my efforts in that fight for the right to be heard and the right to equality. I did not give up then, despite the defeats, and I am not going to give up now. I want equality for the 16 million-plus people to be heard—those who voted against leaving the European Union and those who could not vote—because the outcome of this referendum affects us all. I want them to be heard because my voice, too, is amongst them.

At the moment you lose an election, a referendum or a fight for your principles, you do not ditch your principles because they are unfashionable or unpopular. To do so is to pay lip service to principles, values and beliefs. Worlds are changed for the better by people who have the courage to be unpopular and to do what is right, good, just and decent for the long term—not to give in to intimidation, threats or bullying but to fight and fight again, quietly and with dignity, and to pursue the same reasoned and argued principles. That is exactly what the anti-Europeans have been doing for decades and, if it was right for them, it should be right for other opinions now.

I will support amendments to protect the single market or the customs union—the principle of freedom of movement—and it is time the UK enforced the conditionality of the principle of freedom of movement, even if that means introducing national ID cards. I will support amendments to protect the rights of EU and UK nationals to work, live and study in the EU, and I will support amendments so that Parliament or the electorate have the final say on the negotiated agreement between the 27 and the UK.

I believe it is incumbent on your Lordships' House, regardless of the threats of abolition or blackmail, from wherever they may come, to ask the other place to think again. If the amendments I have mentioned are not carried, I will not vote in favour of triggering Article 50 because I do not believe that hard Brexit is in the long-term interests of this country.

4.12 pm

Lord Wallace of Saltaire (LD): My Lords, the speech of the noble Lord, Lord Cashman, makes it quite clear that the country is divided—in some ways more divided now than it was before the referendum—and that this process as it continues could lead to the country and its regions becoming increasingly divided. That gives us a great responsibility in how we contribute to the debate.

This House has an entirely legitimate role to play in scrutinising the Government's approach to Brexit, both as the process proceeds and when it comes to the final package. Our role as a revising Chamber is not to throw out Bills at Second Reading but to examine the

rationale for the proposals they contain. It is our role as a second Chamber to weigh up the Government's proposals against our understanding of the national interest and to challenge the Government when we consider that their arguments do not make sense.

The Vote Leave campaign made much play before the referendum of the principle of restoring parliamentary sovereignty. Since June it has argued, in contradiction to that principle, that neither Chamber of Parliament can claim a significant role in scrutinising the Government's changing interpretation of what leaving the European Union means. The will of the people, the *Daily Mail* insists, requires that we now accept whatever the Government put forward. So we are in danger of slipping from parliamentary democracy to direct democracy in which an authoritarian political leader is allowed to interpret occasional expressions of the popular will without a continuing process of criticism.

Nigel Farage's French lodger, about whom the press showed much interest recently, is the director of the Institute for Direct Democracy in Europe, an institute supported by a group of hard-right nationalist parties across the EU—direct democracy against the necessary compromises and reasoned arguments of parliamentary democracy, in which popular fears and emotions are exploited by media and populist leaders to bully the opposition and target foreigners and minorities. The Conservative Government should not slip down that road, which would betray the best of the Conservative tradition.

It is not that I think that our current Prime Minister is in any way comparable to Donald Trump or Marine Le Pen, but I do fear that she has been captured by the authoritarian right of her party and the almost anti-democratic hysteria of the *Daily Mail*. Those of us who still believe in parliamentary democracy, with reasoned debate and with attention to evidence and detail at its core, must therefore insist that this Chamber, as part of Parliament, has an important role to play.

Ministers spent a good deal of time and effort quietly examining the detailed costs and benefits of EU membership under the coalition Government at the insistence of the Conservative side. Thirty-two papers on the balance of competences between the EU and the UK were carefully negotiated over 24 months on the basis of widespread consultation with stakeholders and experts in each sector, and the overwhelming consensus was that in most respects the current balance took UK interests well into account. Sadly, the response from the then Prime Minister in No. 10 was to bury the exercise as deeply as he could for fear of enraging the Europhobe right, so the public were left uninformed. But this Prime Minister cannot afford to bury sectional national interests and the impact of Brexit on them as negotiations move forward. If, at the end of the process, the gap between today's optimistic promises and the hard compromises of the final package is too wide, the public will blame the Conservatives for the result.

Conservatives should therefore recognise that it is in their own enlightened interest to accept the amendment tabled by my noble friend Lord Newby and others that requires a resolution of both Houses on the final package and a national referendum on the terms agreed, and it is in the Government's enlightened interest to inform Parliament and the public of what it is realistically

possible to achieve as they move forward, rather than raising illusory hopes now and attracting outrage when they fall short later.

The recent White Paper still suggests that Britain can have its cake and eat it in sector after sector. It states:

"This Government will make no attempt to remain in the EU by the backdoor".

Nevertheless, it lists a long series of areas where it is confident that the UK can retain close co-operation, from scientific research to aviation, medicines, food safety, chemicals and financial services. That simply will not be possible if we are entirely outside.

The White Paper also pledges to maintain close co-operation on internal security, intelligence and crime, but without accepting judicial oversight of such sensitive issues. That will not be possible either.

On foreign policy, the White Paper repeats the meaningless phrase that we are,

"leaving the EU, not leaving Europe"—

a phrase repeated by the Leader of the House yet again today—and suggests that we will continue to participate in EU military and civilian missions "across the globe", through the EU's back door, no doubt.

Boris Johnson, meanwhile, is making speeches in India and the Gulf promising that an increasing proportion of our Armed Forces will in future be deployed east of Suez, as far away from Europe as possible, and last week he was in the Gambia proclaiming the revival of the Commonwealth while the Canadian Prime Minister was visiting Brussels and Strasbourg to celebrate Canada's trade agreement with the European Union. The Prime Minister says that we must be a world power but that none of us must be citizens of that world. I cannot recall a point in my lifetime when British foreign policy has been as incoherent as it is today.

This has the potential for a train crash, so the House should give the Government a qualified and conditional authority to proceed with negotiations to leave, as the amendments we will discuss in Committee propose.

4.18 pm

Lord Stevens of Ludgate (UKIP): My Lords, the referendum was clear: vote remain or vote leave. The previous Prime Minster said that if the vote was to leave, he would exercise Article 50 the next Monday and we would not be having this debate. Both Mr Cameron and Mr Osborne also said that if we voted to leave, we would also leave the single market.

As we all know, the turnout in the referendum was 72%, which was a record. The leave majority was 1.4 million, a substantial figure. To put that into perspective, if at the last election in the most marginal Conservative constituencies 8,000 voters had voted for the runner-up instead, the Conservatives would have lost 15 seats. Those asking for a second referendum should perhaps be asking for a re-run of the last election.

The referendum was a clear political commitment from the UK Government to act on the referendum result. The Conservative manifesto said:

"We will honour the result of the referendum, whatever the outcome".

[LORD STEVENS OF LUDGATE]

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Those of us who were in the majority in the referendum should thank Mr Cameron for bringing about our departure from the EU—even though he did it by mistake.

The Prime Minister, Mrs May, should be congratulated on honouring this commitment. She also said that we would leave the jurisdiction of the European Court of Justice. Why, therefore, has the UK's signature to the unified patent court agreement—when this agreement is subject to the European Court of Justice—been put down by the Government as a negative statutory instrument, which would therefore be under the radar? That means that unless an MP objected—fortunately, one did—it would have automatically gone through. I would be most grateful if the Minister let us have an answer to that question in due course.

Will we be subject to the European arrest warrant? At present, all British citizens on British soil may be subject to unevidenced arrest warrants issued by any judicial authority in Europe. The charges may be completely fictitious or based on the flimsiest of clues. No evidence is provided and no British court is allowed to ask to see any evidence. This has led to innocent British citizens being seized by British police under orders from continental authorities. In Greece, Express Newspapers, of which I was chairman, was convicted of criminal libel without even knowing that there was a court case going on. Fortunately, I was not arrested and have not been arrested since. These citizens have waited in foreign prisons, sometimes for months, with no right to a public hearing, while their cases are investigated.

Do we really want to remain in the EU for the next two years? Is it worth the risk? Even the poor old International Monetary Fund, which gets practically every forecast wrong—but maybe not this time—says that Greece's debts are on an explosive path and the IMF appears unwilling to fund further bailouts. Professor Otmar Issing, the ECB's first chief economist, said recently that the ECB is becoming dangerously overextended and that,

"one day, the house of cards will collapse".

He said that,

"the Stability and Growth Pact has more or less failed", and that,

"the no bail-out clause is violated every day".

The ECB holds more than €1 trillion of bonds bought at artificially low or negative yields.

In the light of the parlous state of the Italian economy, the general and increasing discontent of voters in the EU, the terrible levels of youth unemployment in Greece, Italy and Spain, the vulnerability of the German banking system, in particular to all their loans to the southern members, and the crowning glory of Mr Verhofstadt, who recently said that we, the UK, are,

"rats leaving a sinking ship",

are we not better off leaving quickly, rather than seeking to negotiate? We are serving notice under Article 50 so we can try to negotiate the terms of our future relationship with the EU. If we do so, the EU can drag this out at least until the two-year limit

expires. The Government can try for all the best reasons, which one may admire, to negotiate, but to get agreement from all 27 countries will be impossible, let alone from the European Parliament. It would have been better to bite the bullet and get out before the house of cards comes tumbling down.

There are a few main priorities, of which I am sure we are all aware. We should convert all EU legislation into UK law and then amend or reform it as a matter of urgency. We should resolve that existing EU residents can remain in the UK. We should have our own fisheries policy in UK waters. We cannot join the EEA as we have ruled out free movement. We should seek to trade freely with the EU 27 as at present, or go to WTO rates for both sides; or, if the EU 27 do not agree, become a free-trade, low-tax area.

There are many other areas to consider, but we will have opened up our country to some 160 other countries in more rapidly expanding areas of the world, including the Commonwealth, which has stayed with us through thick and thin. As the President of the European Parliament said:

"The British have violated the rules. It is not the EU philosophy that the crowd can decide its fate".

Well, they have decided. This House should now accept the Bill as presented to it by the elected House and not seek to tie the Government's negotiating hand.

4.25 pm

Lord Hill of Oareford (Con): My Lords, since I stood down as European Commissioner back in the summer, I have had a self-denying ordinance on speaking about Europe in this House. The bad news is that today I have broken my self-denying ordinance, but I do not intend to do it too often.

I did not feel that I could sit out this debate without saying something about what seems to be missing almost altogether in many of our discussions about Brexit: the views of our European neighbours. Sometimes it seems that the debate about Brexit is one that only we Brits are allowed take part in and that, once we have sorted out our internal disagreements between leavers and remainers, all we have to do is present our demands to the European Union and it can take it or leave it.

We are not going to be able to proceed by diktat; it is going to be a negotiation. So I want to look at this Bill from the point of view of our European partners and what we need to do if we want a successful negotiation. First, they need to be able to trust the British side to be clear and consistent. They need to know that what our negotiators say our negotiators can deliver. They cannot sit there thinking that at any point the timing or the content might change, or indeed that the whole thing might be put to a second referendum.

Getting 27 countries to agree a common position is going to be hard enough, but how can they be expected to negotiate if the British Government have to say that they cannot undertake to deliver what they have negotiated because the British Parliament or the British people might vote against some or all the details at a later stage? That seems simply impossible from a practical point of view.

There is another crucial point that, however we voted, we have to take into account. The rest of Europe is not sitting there desperate to take us back. They certainly wanted us to stay, but they have now accepted that we have voted to leave. Their priority is to work out their own future at 27 and not to sit there putting everything on hold, hoping that one day the phone will ring and it will be the British Foreign Secretary saying, "Sorry, we'd like a different offer" or "Sorry, we'd like to come back after all". Businesses here in Britain are also not sitting here just waiting for something to turn up. Every day, the facts on the ground are changing as they make their investment decisions and plan ahead. Their timescales and their shareholders will not permit a debating-house approach.

I know that most of us here want to remain on the best possible terms with the rest of Europe once we have left: to co-operate on defence and security to keep Europe secure; to continue to trade together to keep Europe prosperous; to collaborate on research and on science; to encourage our young people to learn from each other and to work together; and to have open minds even if we do not have open borders.

To increase the chances of this happening and to avoid the dangers of a mutually damaging political crash, we need to have a grown-up negotiation. That means that we also need to think carefully about the language that we use in this debate. The ludicrously polarised nature of our political and media debate and the chronically debased nature of our language, where everything is either a catastrophe or a liberation, are obstacles to working out not only how to overcome the challenges that we will face on leaving but how to make the most of the new opportunities that will also open up.

I believe that we need a political climate that is far more reasoned, calm and rational if we are to help bring the country together and lead it through the period ahead. That is why we need to be thinking more about how we can bring remainers and leavers together instead of constantly looking to drive wedges between us. We need to talk more about the things that bring us together with our European neighbours, rather than the things that drive us apart. Instead of endlessly rerunning the referendum debate, we need to spend much more time thinking constructively about our future. If that is not a job description for your Lordships' House, I do not know what is.

I loved being Leader of this House. I saw how important it was that we should be different from the other place, with a different voice and a different set of experiences. I saw very clearly the contribution that we make to improving legislation and I had no hesitation in pointing out to my colleagues in the other place our right to perform that role, to scrutinise Ministers and ask them to think again. However, the truth is that the rest of Europe wants to get on with its post-referendum life, business wants to be able to get on with its post-referendum life and so, I gently suggest, do we.

4.31 pm

Lord Mandelson (Lab): My Lords, I am very pleased to follow the noble Lord, Lord Hill, and his very intelligent contribution to this debate, but I want, first,

to make a remark about the speech of the noble Lord, Lord Hague. Contrary to what he said today, the noble Lord believes that we should stay just,

"one step short of the single market".

I know this because he wrote it. He could therefore not possibly agree, in my view, with the Government's present approach.

George Osborne was right when he said that the Government are being driven by politics not economics in their approach to Brexit. This is what has changed since the noble Lord wrote his original article. That is why the Government can contemplate Brexit at any cost: the economics are secondary; the trade is secondary; the investment and the jobs are secondary. What matters instead is assuaging the ideologues. Herein lies the danger for the country: the Government have lost their sense of perspective in this matter. The Prime Minister is terrified of looking less than full-hearted, so she is overcompensating. Debate is discouraged in case it gives the impression of being faint-hearted. Critics are attacked in case their arguments catch on.

As is well known, I was a remainer: not, I might say, because of my pension rights but because I am a patriot—a patriot rather than a nationalist. That is why I think that the approach the Government have chosen to take to Brexit is wrong. Instead of saying, "We are leaving the European Union but want the closest possible relationship with the European Union" and meaning it, the Government have decided that we are not just out of the European Union, but fully out of the entirety of the single market and the customs union as well. We do not want to have anything to do with one single bit of it, as Mrs May wrote in her article on Friday. In other words, to all intents and purposes we are going to be out of Europe altogether and we will be the worse for that as a country.

I can tell noble Lords that our former EU partners have heard the Government loud and clear. I travel on the continent still: the people with whom we are going to negotiate have got the message that we want clean out of the place. This cannot avoid having consequences in the negotiations.

However, the most important point, and the main point I want to make in this debate, is that this is not what a lot of leave supporters backed when they voted in the referendum. Yes, they wanted to leave the European Union but they did not want to turn Britain into a poorer, politically isolated offshore tax haven without reach or influence in the world. Once they see the consequences, they may—I stress may—want to think again about the outcome of the Government's chosen path, and Parliament's job will be to reflect that change of view and create the means of expressing it.

I will conclude by saying one thing about trade, and I have been a Trade Secretary at home, as well as a Trade Commissioner in Europe. The Government can say they want a comprehensive trade agreement to give us,

"the exact same benefits as we have",—[Official Report, Commons, 24/1/17; col. 169.]

as David Davis said in the other place some weeks ago, but unless we comply with Europe's market rules and accept its common product standards and the regulation of services that it prescribes, we will not have the same trade. We will not have the equal benefits, and to say

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otherwise is a fraud on the public. We can pay for access—and no doubt we will have to pay through the nose for this—but it will not bring the same volume of trade or the same rights, and we will not have the same means of enforcing those rights in our trade in Europe.

That is why, when all this becomes apparent—it having been carefully obscured in the referendum—the political circumstances will change and so might people's minds. We cannot foretell exactly what the context will be in 18 months' or two years' time but I believe, and I hope noble Lords will agree, that we cannot simply consign Britain's economic future to this headlong rush towards Brexit at any cost. We have a responsibility not to next year's growth figures or inflation figures but to the prosperity of our country for decades to come.

4.37 pm

Lord Marks of Henley-on-Thames (LD): My Lords, I am delighted to follow the noble Lord, Lord Mandelson, in this debate. This is the most important issue that this House has debated in a generation. Yet there are voices out there who say that we should just get on with it and vote the legislation through unamended so as not to frustrate the will of the people. Many of us believe that we are about to make our biggest foreign policy mistake in decades, so just getting on with it and voting it through is not an option. As my noble friend Lord Newby eloquently asserted, we cannot and should not stay silent simply because the leave campaign won. That would be just as true even if it had won by a substantial majority.

I believe that the economic consequences of our leaving the European Union will be deep and lasting, but I fear that the most serious consequences will be for Europe and Britain's place in the world. At a turbulent and dangerous time, we threaten to undermine our closest allies, who share our commitment to democracy, internationalism, the rule of law and human rights. We face an isolationist and protectionist America, led by a President who chooses to govern by Twitter, with scant regard to facts or principles, intent on jettisoning decades of carefully honed international policy that made America a worthy and safe leader of the free world.

In the Middle East we face ever-worsening violence, barbarity and terrorism, with little hope of reprieve. The refugee crisis in Europe, which is a consequence, cries out for a negotiated solution that combines humanity with pragmatism. We must deal with a dangerously resurgent Russia and a powerful and increasingly assertive China. Globally, we face the existential threat of climate change on which, in Paris, with Europe's lead, we were making progress until President Trump changed America's direction. Our leaving the EU threatens future European co-operation. Worse still, it strengthens and emboldens the fissiparous forces seeking to pull Europe apart—in France, Germany, Italy, Austria, Hungary, the Netherlands and elsewhere. Already, the referendum decision drives our Prime Minister to a weak and almost needy dependence on Trump's America and Erdogan's Turkey. The duty of this House is to mitigate the damage.

We are now asked to pass a Bill to set this process in train, and upon the basis that our Article 50 notice will be irrevocable unilaterally—although, as Andrew Marr pointed out to Liz Truss yesterday, that is a legal not a political question and one that is unclear and undetermined. Yet the Government want to deny us all, people and Parliament, the right to decide whether we still wish to leave when the negotiations are concluded. Where is the sense, the political courage or the respect for parliamentary sovereignty in that approach? So we will seek to amend the Bill to let Parliament and the people decide on the final deal before we leave, and with the option of remaining still clearly open.

The Government's plans were eventually spelt out in Mrs May's 12-point 17 January speech: no to the single market, despite the Conservatives' manifesto commitment; no to the customs union; no to Euratom. And all, I suggest, because of two unrealistic and obsessive illusions: first, that our leaving will cut immigration and that doing so will benefit this nation; and, secondly, that it will win us freedom from the Court of Justice of the European Union.

On immigration, no one can say how far it may fall, but what we do know is that our economy, our universities, our research and development, our health service, our cultural life and our soft power all depend to a large extent on it. Already, the threat of our leaving the European Union is damaging confidence.

On the European Court of Justice, the Government's position borders on the absurd. The court provides an effective and essential system of resolving disputes about the EU treaties and legislation. The Government promise free and frictionless UK-EU trade, which means British exporters of goods and services meeting EU standards. We will have no say in setting those standards, but in determining whether they are met the CJEU will be the final arbiter.

We are told that the agreement,

"may take in elements of current single market arrangements". The Government promise close collaboration in science and innovation. They recognise that our arrangements for civil jurisdiction and for the recognition and enforcement of judgments under the Brussels and Lugano regime enable our commercial law to function. Energy, transport, communications, the many EU agencies, cross-border environmental protection, digital security and co-operation all depend on EU regulation. Why should our European partners agree to abandon the CJEU for some inferior alternative to resolve disputes? The White Paper sets out in an annexe a medley of other dispute resolution mechanisms, but this is an inadequate and meaningless response to the problem. Like the rest of the Government's ill-thought out approach to Brexit, it does the Government no credit.

4.45 pm

Lord Patel (CB): My Lords, I was a strong remainer and at times I still cannot believe that the result went the other way, but, like the noble and learned Lord, Lord Hope of Craighead, I am a believer in democracy and I accept the result. In accepting the result, I, like him, now want to get on with it so that I can begin to influence the legislation that will come to get the best deal for the United Kingdom. It is one of those areas that I shall speak about today.

The Prime Minister identified science and innovation as one of her 12 priority areas in the forthcoming Brexit negotiations. The Prime Minister is right to do so. Science is a global endeavour, and the UK's collaborative attitude and pre-eminence in science are the reasons why significant numbers of scientists in the UK are from overseas, including many from non-British EU countries. Some have stayed and have even achieved Nobel prizes, such as Professor Geim and Professor Novoselov in Manchester, who won the Nobel prize for graphene, and Venkatraman Ramakrishnan, the current president of the Royal Society, who won a Nobel prize while working at the LMB of the MRC. Those are just two examples of Nobel prizes.

The UK is a popular place for talented scientists, certainly in the area of life sciences, which I am most familiar with. To continue to attract to the UK the finest scientists from EU countries, we need to address three issues. The first issue is that those scientists who are already here should have peace of mind about staying and working in the UK beyond Brexit. We must also convey to those currently thinking of applying for posts in the United Kingdom that they can do so with confidence that their future is safe in the United Kingdom and that they should feel welcome. We appear at times to be giving mixed messages to those who are here and those who wish to come. They get the feeling that they will be bargaining chips in our negotiations, and I hope we can alleviate that anxiety.

I shall give an example of the numbers of life scientists working here. I shall use as an example the Francis Crick Institute, which was opened by Her Majesty the Queen in November 2016. It is Europe's largest biomedical research institute under one roof and 1,500 scientists will work there soon. Of the 800 scientists who are already there, 56% of post-doc scientists—the ones who do most of the work—are from non-UK EU countries. Most of them have done their training in the United Kingdom. Forty-four percent of the lab-based staff and 30% of all staff are from EU countries. The number of EU scientists in other universities is similar. In my university, there are 350 scientists working in life sciences and we have 1,000 students.

On the other hand, there are concerns. For instance, the Wellcome Trust Sanger Institute, our world-class centre for genomic studies, saw a drop of nearly 50% in applications from PhD students from EU countries. If we are to continue to maintain the flow of scientific talent from EU countries and countries outside the EU, we need an immigration policy that makes it simple for scientists and technicians to come to the United Kingdom. In my view, it is unnecessary to cap the numbers of highly skilled people whom we need to come to the United Kingdom.

The second issue I shall highlight is the need for the UK to have continued access to funding from and collaboration with the European Research Council. Funding and participation allow worldwide collaboration with the best scientists in the world. While access to funding from the European Research Council and the Horizon 2020 programme is important, the opportunity of collaboration with scientists worldwide is the important point. The European area produces one-third of the world's research output, and we contribute

to that considerably. It is not surprising that other European countries are already inviting our top scientists to relocate to their universities, for example in France, so that they can apply for funding and collaboration.

The third important area relates to aligning UK regulation with EU regulation. The example I give is the new appraisal system under the EU clinical trials regulation. We need access for our pharma industry, our scientists and our biotech industries to the important IT infrastructure without which we cannot share the information. If we do not have that access, we ourselves will be too small when it comes to the informatics required to conduct clinical trials.

For these and other reasons, I hope that in the negotiations that we will enter into soon the issue of EU scientists coming to work here, our ability to access funding and collaboration and our ability to access IT infrastructure will be early negotiating points.

4.50 pm

Lord Hunt of Wirral (Con): My Lords, first, I draw attention to my interests as declared in the register, in particular as a partner in the international commercial law firm DAC Beachcroft and as chairman of the British Insurance Brokers' Association.

I join many other speakers in congratulating the Government on bringing before us such a short and simple Bill. Whether we like it or not, on 23 June last year the people of the United Kingdom voted on a single, simple proposition and made their decision. I say to the noble Lord, Lord Newby, that it was not just an expression of view, and I say to the right reverend Prelate the Bishop of Southwark that I am not sure where he got the word "quixotic" from; the decision had nothing to do with tilting at windmills or Don Quixote. Perhaps he was just expressing an anacoluthon. It is entirely appropriate that Parliament should respect the decision in the clearest possible terms. I also applaud the decision to convert the body of existing EU law into domestic law, which is by far the best way, in the Government's own phrase, of "providing certainty and clarity" at a time of great uncertainty and obscurity.

Like many others in the Chamber, throughout my political career I have always been an advocate of closer co-operation among the Governments and peoples of Europe, but it saddens me to say that the European Union simply failed to adapt to the complex, rapidly shifting challenges of what I describe as the new world order. Last year's referendum exposed the inherent conflict between global aspirations and domestic fears. For many, globalisation has created a sense of near panic and of a loss of control, and it was powerful, simple, powerfully simple arguments about regaining control that narrowly won the day on 23 June last.

The Government's White Paper speaks of an "outward-looking" nation. I believe that attitude, that policy and that philosophy can heal the wounds left by the referendum and re-establish "One Nation". Our intuition and surely our reason combine in warning us that, while "Island Britain" must always be a physical reality, it can never again be a geopolitical reality. That is why I very much welcome the title of the Government's

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White Paper—The United Kingdom's Exit from and New Partnership with the European Union—and its consistent tone of grown-up, hard-baked and thoroughly considered realism about where we stand. Of course the precise nature of this new partnership needs to be fleshed out, but it will surely be founded upon what we in the United Kingdom can uniquely offer to the world

The White Paper also recognises that the UK is one of only two global full-service financial centres, and the only one in Europe. Over 75% of the EU 27's capital market business is conducted through the United Kingdom. Our insurance sector—the sector I know best—has in my view no equal anywhere in the world. The expertise we possess here is in no hurry to emigrate, but we must ensure, through a positive approach to mutual market access, that it is not forced to go elsewhere in order to carry on trading. I also believe we lead the world in our independent legal profession, our independent judiciary and the concept of the rule of law. I join the noble and learned Lord, Lord Hope of Craighead, in warmly applauding the judgment of the Supreme Court. Whether you read the consenting judgments or the dissenting ones, it reads like one of the great judgments of all time, and I commend it to colleagues.

The closing section of the White Paper contains the compelling confirmation that, in the words of the Prime Minister,

"the British people voted to leave the EU, but they did not vote to leave Europe".

I respect the noble Lord, Lord Mandelson. How long ago was it that he was chairman of the Young European Left and I was chairman of the Conservative Group for Europe?

Lord Mandelson: Too long.

Lord Hunt of Wirral: However, we have to move into this new world, and we must do so in a positive frame of mind. In that spirit, I was delighted to note a commitment to negotiating,

"a phased process of implementation ... This would give businesses and individuals enough time to plan and prepare for those new arrangements".

That again underlines why it is so overwhelmingly in our national interest that these negotiations should be successfully concluded within the two-year timeframe set for them. I have every confidence that outcome can and will be achieved, and we in this House have a responsibility to help. The last thing we should do is to break the Prime Minister's bat just when we most need her to go out and play the innings of her life for her country, and complicating amendments to the Bill would do just that.

In my view, the Prime Minister deserves our full confidence. That is why, on the basis of this short, crisp Bill and the broad assurances and sound common sense of the White Paper, I believe the Prime Minister will be set fair to negotiate not only for our exit from the European Union but also for the best possible new strategic partnership with our close allies, colleagues and friends on the continent—our continent—of Europe.

4.57 pm

Baroness Jowell (Lab): My Lords, it is a great pleasure to follow the noble Lord. I only wish I could share his optimism. I shall make some short observations on process—both the democratic process and negotiation with the EU.

As has been said, before today a mandate was given in the referendum by a narrow majority comprising 37% of the electorate. This has left the country deeply divided but it has been overwhelmingly endorsed in the elected other place, and our role in this appointed House is, within that framework, to secure the best possible outcome in these perilous circumstances for our country.

As has been well said, the referendum was a black and white question that invited a technicolour answer. Many paths led to "No", but I have to say that for me as an elected Member of the other place, in 20 years of weekly surgeries and countless doorstep meetings, the issue of Europe never once arose. All sorts of concrete issues did, but never Europe. So we should not delude ourselves that leaving the EU will for one moment mend all that needs mending in our society—in particular, the sense for many of being left behind and facing a frightening pace of change, locked out of the opportunities in our globalised economy and often feeling threatened by them. It was therefore not surprising when subsequent social surveys showed that immigration was in fact an issue that served, for significant numbers of people, as a proxy for their other fears about their lives.

In areas of steep recent growth in the immigrant population, the impact of immigration was obviously the issue, but let us recognise that it was also often the peg on which other concerns—just as real—were hung. It has now been made a more central issue even than the well-being of our economy and other vital national interests which rest on our membership of the European Union, with the consequence that we have to attend, cap in hand, on the most unpredictable US Administration in living memory.

To turn to the negotiation process, the Government have damaged the national interest by throwing away their cards in the first two rounds of this process: first, by accepting that Article 50 should be triggered early, as the EU requested, rather than treating that issue as one to negotiate about to our national advantage; and secondly, and perhaps more seriously, by declaring at the outset our intention to leave both the single market and the customs union. How much better it would have been to offer other members of the European Union a choice: make reasonable and real changes to the right of free movement, such as would satisfy most of those who voted to leave, and we will stay in the single market and the customs union; or deny even that, and you will force us out.

This makes the need for proper parliamentary engagement even more urgent if we are to get this process back on track, remembering the important part that the Supreme Court played in getting Parliament engaged in the first place. We all know that it is often more effective to negotiate if you do so as the agent of a powerful principal. Parliament—our Parliament—should be that powerful principal, and it must make clear what is and what is not acceptable to it: its own

red lines. The Prime Minister should realise that that would only fortify her and her team.

At the very least, therefore, as the lead letter in the *Times* today suggests, Parliament must have the right to determine what happens if negotiations break down or if it considers that the terms arrived at are not in the national interest. We are, after all, a parliamentary and a representative democracy.

As we stand, therefore, two of our limited quids have been given away in exchange for no EU quos. It is not a good start, but there is a way back, if Parliament asserts itself and the Prime Minister recognises the strength that Parliament can give her in delivering the best available for our country and its people.

5.03 pm

Lord Campbell of Pittenweem (LD): My Lords, I am the 16th speaker in this debate, and I am already reminded of the explanation why the conventions of the Republican and Democrat parties in the United States last for four days, when two would be sufficient. The answer is that because usually, after two days, everything has been said but not everyone has said it. By the time we come to close of play tomorrow evening, that may be even more obvious.

In a moment or two, I shall talk about the role of your Lordships in this most serious matter, but before I do that, I support the remarks made by the noble Lord, Lord Patel, about the position of EU nationals living in the United Kingdom. It is extraordinary that the Government have not yet made any concession in respect of their future. It is extraordinary that they have not recognised that those citizens are an essential part of our economy and, indeed, of our academic life. It is extraordinary that they have not accepted that they are husbands and wives, mothers and fathers of United Kingdom citizens. Are we really and truly contemplating even the remote possibility that we will be prepared to start knocking on their doors, whether at midnight or midday, expelling them from the United Kingdom? The fact is—in a debate in which we have referred to public opinion—all tests of public opinion say that these individuals are entitled to the protection that so many of your Lordships argued for in this House.

The central question for me and for others is: what is our role in this most difficult and complicated issue? Is it to accept without demur the Bill before us, and indeed to put aside the very idea of amendment? Some have exhorted and encouraged us, and even attempted to bully us into doing so. But I rather thought, when I had the privilege of being introduced to your Lordships' House, that I was expected to use my judgment and experience and to exercise responsibility. In the circumstances in which we meet today, are not these qualities as important now as they have ever been?

I do not argue for a return of the campaign, but it would be wise to take account—to be entitled or even required to take account—of the changes in circumstances since 23 June. So far, no one has mentioned that the value of the pound has depreciated by 20%. Those who wanted us to leave the European Union did not argue that from the platform of the bus they chartered. It will not be long before that depreciation is followed

by inflation and then, of course, by an increase in interest rates, at a time when personal debt in the United Kingdom is as great as it was on the eve of the credit crunch of 2008.

We should look at some of the trade deals that have been talked about in theory, if not so far in practice. We have not heard much about Australia recently but the Australians said yesterday that they were open to a trade deal with the United Kingdom. They pointed out that they wanted to increase access to the United Kingdom for their citizens. When India said that they were concerned to have a trade deal with the United Kingdom, they said exactly the same. I do not think that anyone ever thought about that in the course of the campaign.

Now, of course, we are committed to the President of the United States who, to put it at its most charitable, can only be described as mercurial. We have no idea—and perhaps neither has he—what sort of concessions the great deal-maker will demand of us before a successful agreement is entered into between the United Kingdom and the United States. It is even possible that we will have to deal with chickens treated with chlorine and cattle raised on hormones. No one discussed that, and no one had discussed it in any detail as a possible consequence of tying ourselves to an Administration who, if I may say so, are more eccentric so far than any I can ever remember.

Now we know the answer to the riddle: Brexit means Brexit. It is summed up in the expression, "Better no deal than a deal thought to be poor". We do not yet know what a red, white and blue Brexit will mean, but I hope it is not an excuse for the kind of jingoism from time to time exhibited by the Foreign Secretary. My point is this: what if, at the critical moment of departure, the world has changed and public opinion in the United Kingdom has also changed, when it appears that the consequences of leaving will be adverse to our prosperity, trade and future? Is it not to be permitted that the public change their mind? Is it not to be permitted that there can be any turning back? Someone used the expression, "No turning back". It is worth reminding the House of its origin—an expression used by the pro-Thatcherite group formed in the Conservative Party in the 1970s. I have striven and failed to find any such political position in recent history, and there is good reason: Parliament is sovereign and Parliament can change its mind; it frequently does so. The great repeal Bill bears to be a change of mind, yet the public are not to be allowed the same opportunity. Remember, if it goes wrong, who believes that the public will hold up their hands and say, "It was all our fault because we voted for it"? They will say it was the fault of the politicians, and they will be right to do so.

5.10 pm

Lord Kakkar (CB): My Lords, I thank the noble Baroness the Lord Privy Seal for the thoughtful way in which she introduced this Second Reading debate. She confirmed the constitutional position of your Lordships' House in having a responsibility to scrutinise and revise legislation and the fact that those simple principles apply to any Bill before your Lordships, including this one. However, I strongly believe that that constitutional duty and that responsibility have to be conducted in

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the context of this Bill. It has resulted from a referendum, the specific details and question of which were approved by Parliament—both your Lordships' House and the other place—and put to the people of our country. The people of our country having voted decisively to leave the European Union, their decision was then taken by Her Majesty's Government to the other place. Members of the other place, as representatives of, and exercising judgment on behalf of the people, concluded that a simple Bill designed to initiate the process of Article 50 and commence the negotiation for our exit from the European Union was the right way to reflect the will of the people. Now that it has come to your Lordships' House, it is for us to understand that context and determine how we should go about our constitutional duties.

It is often said of surgeons that to be a good surgeon you need to learn how to operate. To be a great surgeon you need to develop judgment and learn when and, in particular, when not to operate. Similar could be said of the work of a legislative Chamber, particularly one of the nature of your Lordships' House. There is no doubt that we are a very good Chamber and know how to revise legislation. The question is how your Lordships on this occasion exercise their judgment and determine whether the Bill should be amended in large or small part. That is not to say that many of the issues already appearing on the Marshalled List for potential amendment or debate in Committee are not vital. Many of them do indeed need to be addressed. The question is: should they be addressed as part of the Bill? Or will there be other mechanisms resulting from what has already been described in the White Paper, and the fact that your Lordships' House in the next Session of Parliament will receive the great repeal Bill? These would provide a far greater opportunity not only for debate in your Lordships' House regarding the very important issues that need to be considered but to reach consensus with the other place on those issues.

If, indeed, that is considered a real opportunity then the points made by my noble and learned friend Lord Hope are very pertinent—a simple and straightforward Bill achieving this first objective is the way forward. Thereafter, your Lordships' House will have ample opportunity to consider a variety of important issues. They should not be dismissed now for ever but considered in the context of the ability to look at issues of substance relating to our departure from the European Union and to reach consensus with the other place.

There is one further issue that I would be grateful if the Minister would address. It regards the final stage of Article 50, and how Parliament should deal with the agreement reached in the context of the argument already put in the other place and agreed by Her Majesty's Government that Parliament will have a meaningful say at the end of this process. Is that meaningful contribution to understanding the final stage to be taken in the context of the Constitutional Reform and Governance Act 2010—that is to say it will be treated as a treaty issue? Under that constitutional anchor, the other place has the ability to delay ratification of any such agreement indefinitely but your Lordship's

House can only give its opinion, with the final say resting with the other place. Or will some other part of the process, and other legislation that will come before Parliament in this two-year period represent the opportunity for a far more accurate, decided and granular review of the final agreement reached, and thereby provide the reassurance that noble Lords are looking for?

5.15 pm

[LORDS]

Lord Lawson of Blaby (Con): My Lords, I warmly welcome this important Bill. We now need to be clear about the way ahead. The White Paper, to which my noble friend the Leader of the House referred, states that the Government will seek,

"an ambitious and comprehensive Free Trade Agreement and a new customs agreement",

with the European Union. It is right that we should offer this—complete free trade with no strings attached but it is unattainable. That being so, we should waste no time banging our heads against a brick wall. As soon as it is clear that, sadly, our European Union partners will not accept our offer, we should move on. There is nothing to be gained by protracted and doomed negotiations. The worst thing for British business and the British economy is prolonged uncertainty.

Much of the confusion arises from the misconception that what we are about to embark on, once Article 50 has been triggered, is a trade negotiation. As seen by our opposite numbers across the channel—and, as some noble Lords have said, we do not at present take enough account of this—it is nothing of the sort. If it were a trade agreement, like the trade agreements we are currently seeking with countries outside the EU, now that we are free to do so, success would be achieved by virtue of the mutual economic benefit such agreements confer. However, although there would indeed be mutual economic benefit in a trade agreement with the EU, that is not how they see it at all. For them, understandably, this is not about economics: it is a highly political divorce settlement.

In many—probably most—EU countries the political establishment is at present preoccupied with the struggle against the rising popularity of Eurosceptic antiestablishment political movements, some of an unsavoury nature. Our European partners are quite clear that, were the UK to secure a satisfactory agreement, this would give a huge boost to these movements. Indeed, the anti-establishment parties themselves openly recognise this. This is particularly the case in France, which I know best, where the Front National is riding high. French fears will receive sympathy and support from Germany, not least because Alternative für Deutschland is on the rise. Although we may have friends in some of the other, smaller, member countries of the European Union, there is no way that the EU will, collectively, agree the sort of trade deal we are offering which would, in any event, be vetoed by the European Parliament.

In a nutshell, as the White Paper explicitly states, echoing the Prime Minister,

"no deal for the UK is better than a bad deal for the UK".

However, for the majority of the rest of the EU it is abundantly clear that no deal is better than a good deal—good, that is, for the UK. We have to be realistic:

the only common ground, and thus the only practicable outcome, is no trade deal. That is no disaster: there is no greater nonsense than the claim that, in the absence of a trade agreement with the EU, we shall be falling off a cliff edge. There is no cliff edge, for the simple reason that there is no cliff. In the absence of a trade agreement with the EU we shall continue to trade with our former partners, but on WTO terms.

Some noble Lords may be unaware that the UK already does far more trade with the rest of the world than it does with the rest of the EU, and the gap is widening with every year that passes. The overwhelming bulk of our trade with the rest of the world is conducted on WTO terms. Moreover, the minor economic disadvantage of being outside the EU customs union and the so-called single market—a disadvantage which has already been mitigated by the fall in the sterling exchange rate—is greatly outweighed by the non-trade economic benefits of Brexit. First among these is the consequence of the promised great repeal Bill, which will enable us to repeal or amend damaging EU regulations, which is of particular importance to our smaller businesses. I know that the party opposite is concerned that this may adversely affect workers' rights but less than 10% of the vast corpus of EU regulation concerns workers' rights. It is the other 90%-plus that needs to be judiciously culled. Then there is the substantial benefit of no longer being required to pay our massive net contribution of getting on for £10 billion a year into the EU coffers—a figure which, were we to remain in the EU, would rise sharply in 2020, when the rebate secured by Margaret Thatcher will come to an end.

I conclude with a brief word about this House, of which I have been a Member for some 25 years. The amendments which have been tabled do not seek to amend the provisions of the Bill but to add to them substantively, and perhaps to delay the Bill. In the unprecedented circumstances in which we find ourselves, were the House to entertain any of these, it would embark on an ill-advised, improper, and fundamentally unconstitutional manoeuvre.

5.21 pm

Lord Rooker (Lab): My Lords, the Prime Minister, who I believe is the best person to lead the Government, has been dealt a very bad hand by her predecessor. He gambled for his party, he staked the country and he lost. The Prime Minister is clearly operating on the basis that the bully Brexiteers are never going to be able to claim that she was a soft and secret remoaner. Therefore, I reckon that when it dawns on her that the route is not a good one for the country, she will be in an impregnable position to take some hard decisions and face the bullies down. We will then see what mettle she is made of. We are not there yet, but in the meantime she has no more right than I to claim that the ballot was anything other than to leave the EU. The voters put a cross on a ballot paper. It was a decision, not a reason.

The White Paper does not fill me with much confidence, either. Paragraph 8.12 states:

"In many cases EU rules are based on global requirements". So why are we leaving, as these will not change? Paragraph 9.3 states that,

"the UK's fastest growing ... markets between 2005 and 2014 included South Korea ... China ... Brazil ... and Mexico".

The EU did not stop us and hold us back, so why are we leaving?

We have to take Brexit far more seriously than we have done the EU in recent years. Therein lies part of the problem. I do not think that there has ever been a genuine attempt by the UK over the years to lead, or play a central role in, the EU. The EU Commission has not been up to the task of leadership, either. It has been rare for member states to send premier league politicians to be commissioners. In the UK in recent times we have descended to sending to the commission politicians without any elected experience, such was the value we gave the EU project. We reap as we sow.

As a former Minister, my personal experience of Michel Barnier is limited, but it is such that I reckon he will run rings round the Cabinet Brexiteers. To my knowledge, the Prime Minister has not yet assembled a UK team comprising the best experienced negotiators on trade and international relations. If she relies on members of the Cabinet, we are sunk. While I am on the Cabinet, I will take no lessons in patriotism from members of the Government who were branded public liars for the fake arguments and false facts that they used last year. That is all on the record.

Central to successful negotiations in peacetime is that those who go to the table should come away with something—not all—that they want. The difference in these Brexit negotiations is that it is in the direct and specific interests of EU member states, the EU Commission and the EU Parliament that any success for the UK is tantamount to encouraging other member states to try something on. Therefore, why should the EU allow any outcome for the UK to be better than the status quo? As such, it is definitely an asymmetrical negotiation. From my experience of Lords EU Sub-Committee B, which to date has done three short inquiries on Brexit, the idea that no deal and leaving on WTO terms is better than a bad deal is an absolute non-starter. In fact, it is far more honest to say that a bad deal is far better than no deal on what the evidence we have to date.

Of course, we have the Bill—I must mention the Bill. We need to trigger Article 50. It is now the only means of finding out the real costs of leaving the EU to put before the British people. Nothing will happen until we have agreed the finances of leaving the EU and, contrary to what has been said, we will not get down to it until after the German elections. The EU Parliament and member states have already said that they want six months at least for ratification. It means that we have a 12-month gap from this October to next October to agree the deal. I do not think that it can be done.

Am I satisfied that Whitehall is working on contingency arrangements in the same way it worked on a possible Brexit? No, I am not. I shall certainly be supporting some of the amendments next week in order to carry out the function of this House, which is occasionally to ask the Commons to think again before it has the final word. My four final words are: I agree with Tony.

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5.26 pm

Lord Lester of Herne Hill (LD): My Lords, after attempting unconstitutionally to rush to the Article 50 exit without legislative authority, the Government have produced this simple Bill, which is no better than a Motion to approve in legislative clothing, and a White Paper that fails to explain the Government's strategy or to answer the key political and legal questions.

The Government interpret Article 50 as a trap that, once opened, cannot be closed. But its author, the noble Lord, Lord Kerr of Kinlochard, who I am glad to see in his place, has made it clear that when the Article 50 process is triggered, the UK may continue to remain a member of the EU.

The White Paper—perhaps I should call it the off-White Paper—contains statements worthy of Dr Pangloss, George Orwell and Humpty-Dumpty. It claims that the UK's constitutional arrangements make us,

"the world's most successful and enduring multi-nation state".

Tell that to the Celtic parts of our disunited kingdom. According to the Prime Minister,

"after all the division and discord, the country is coming together".

That is fake and false news. The referendum and its aftermath have been an agent of fracture, not of healing.

The White Paper says that it sets out,

"how the Great Repeal Bill will ensure that our legislatures and courts will be the final decision makers in our country".

It does not say how that will be done. The Government say that they will,

"bring an end to the jurisdiction",

of the Luxembourg court in the UK. They do not say how that will be done.

The Government say that they will continue to work with the EU to preserve UK and European security, and to fight terrorism and uphold justice across Europe. That must mean the European arrest warrant, and EU databases and information exchange systems. They do not explain how that can be done without the supervisory jurisdiction of the European Court of Justice—for example, while there are transitional arrangements, or where cross-border issues arise with the Irish Republic. I am so glad that the noble and learned Lord, Lord Keen of Elie, is listening, because he can advise the Minister how to deal with this by way of reply.

Will the British courts be instructed to follow and apply the ECJ's case law or not? Will that be the ECJ's existing or future case law? Suppose Mrs Smith claims equal pay under the Equality Act. She wants the Act to be read compatibly with judgments of the ECJ, interpreting EU equality law. After we leave the EU and end the ECJ's jurisdiction, what will our courts and tribunals do? Will they be permitted to apply the ECJ's case law? Will that be the law as it stood when we left the EU or developing law? The Government say that they will convert the body of EU law into our domestic legislation and,

"will ensure the continued protection of workers' rights. This will give certainty and continuity to employees and employers alike, creating stability".

What do the Government expect our courts and tribunals to do before this statutory conversion happens? What about the effect on rights of parties with pending cases before the ECJ?

The Government treat the advisory referendum as binding and claim its outcome requires them to take us out of Europe willy-nilly, even if they fail to get the deal they want. No deal, they say, is better than a bad deal. However, the White Paper is silent about the political and legal consequences if there is no deal. The Bill needs to make it clear that the UK will leave the EU at the end of the Article 50 process only if and when Parliament has legislated either to approve the terms of a withdrawal agreement or to authorise withdrawal in the absence of any agreement. We need an assurance from the Government that they will not use the rights of our fellow European citizens as a bargaining chip here and abroad.

Despite the Government's threats, I have no doubt that we in this House will do our constitutional duty and enable the elected House to do theirs. Unless we think again, I regret that our modern destiny will be as an offshore island, semi-detached from Europe—a once-great nation that lost an empire and failed to find a new, modern identity in Europe.

5.31 pm

[LORDS]

Lord O'Donnell (CB): My Lords, I should like to refer, first, to my interests in the register, particularly as president of the council of the Institute for Fiscal Studies and as chairman of Frontier Economics. In such a lengthy debate, I want to concentrate on those issues where I believe that I can add something—namely, the economic case and the implications for the Civil Service.

The eminent economic historian Professor Nick Crafts concluded a review of all the evidence on our membership of the EU, saying that the positive effects on competition and trade significantly exceeded the negative effects of the membership fee, the CAP and, indeed, badly designed EU regulation. I stress that this is an analysis of the past, not a forecast. Overall, being in the EU has boosted UK economic growth.

The economic impact of leaving has been less than expected so far, but it is now clear that when we leave we will not have full access to the single market and will have fewer migrants. Therefore, the longer-term effects, once we have left, will be negative—that is, it is likely that the economy will grow more slowly than it would have done had we stayed as a member. Some believe that this will be offset by free-trade deals with non-EU countries. As my former boss the noble Lord, Lord Lawson, will know, I am an unashamed free trader and believe that it will be fairly easy to do deals with countries such as Canada. However, when you look at the facts, it is hard to see how such deals could offset the costs of losing full access to the single market in terms of both zero tariffs and non-tariff barriers, and I worry that future regulations, set only by the EU 27, will worsen our competitive position.

Let us remember that the EU will remain our largest trading partner by some distance and we will not be round the table when those regulations are determined. It is ironic that Brexit is said to have

boosted the prospects not of free trade but of President Trump and Madame Le Pen, who both favour protectionism.

It is against that background that Ministers and civil servants will have to negotiate our exit. As far as the Civil Service is concerned, I have every confidence that it will do its utmost to achieve the best possible deal for the UK. However, as my successor has said, it is under huge pressure. The negotiations are extremely complex and I have yet to hear of the Government closing down work to allow civil servants to transfer across to the new tasks. Indeed, that wonderful oxymoron, the great repeal Bill, will keep them and us busy in an effort that will probably leave things exactly as they are. However, negotiating with the EU has been a core competency of civil servants in both the home and the foreign services, and they are very good at it.

I am more concerned about implementation problems. We do not know yet what kinds of customs and immigration changes will emerge but we can be certain that they will involve more complex arrangements than exist at present vis-à-vis the EU. As the noble Lord, Lord Hague, mentioned, we have to wait for elections in the EU and then we have to think about the time that will be needed for ratification by EU Parliaments. The time left in which to carry out the negotiations will not be long enough to sort out many of the details, so, believe me, there will be a very long transition period. Therefore, it is important that this House concentrates on some key points that we need to put forward to the Government in amendments, which I hope will not add to the complexity of the negotiations. As someone who for years worked for various Prime Ministers of different parties on the Northern Ireland peace process, and as a proud O'Donnell, I sincerely hope that the final deal will not reintroduce borders between the Republic and Northern Ireland.

Over the years, I have done more than my fair share of negotiations with the EU and I believe that I understand the frustrations of those who want to leave. Too little has been done to ensure that the winners compensate the losers. I also believe that the creation of the euro was an enormous mistake—a triumph of politics over economics that in time may well be reversed. However, I believe that the EU without the UK and without people like the noble Lord, Lord Hill, around the table will be less of a force for good in the world and will be less economically successful, which will damage us directly. I accept that we are on course to leave but we need to strike the best possible bargain for the UK and, as the noble Lord, Lord Hill, emphasised, maintain the best possible relations with the EU 27.

We should, at the minimum, grandfather the rights of those EU citizens working here at the time of the referendum as a matter of principle. I would also favour Parliament having a genuine vote once a preliminary deal is reached and before it goes for ratification to the EU's 27 parliaments and a number of sub-parliaments, which is quite likely because the deal will inevitably cover some national competences. The UK Parliament should have a serious role in what the deal should cover. That is what we in this House

should aim for with judicious amendments that help us to achieve a better deal for all in this country. The "concession" of a vote which has, as the alternative, departure on WTO rules is no choice at all, and I differ from the noble Lord, Lord Lawson, about the impact of that. To be honest, I am very surprised that anyone would think that it was any concession.

This Parliament should get a say before the Walloon parliament, and here I disagree with the noble Lord, Lord Hill. When Monsieur Barnier negotiates, we have no guarantee that the individual EU 27 countries will accept whatever deal he has agreed, because it will be going for ratification to their national and sub-national parliaments. So we would not be putting our negotiators at a disadvantage; we would simply be levelling the playing field.

This negotiation will be much harder than anything I had to deal with—believe me, coalitions and so on are completely straightforward compared with this—so I end by wishing the Minister and his civil servants well in what will be lengthy and complex negotiations. I hope that in this House we can put forward some amendments that will strengthen their hand and get a better deal for all of us.

5.38 pm

Lord Lang of Monkton (Con): My Lords, it is a pleasure to follow the noble Lord, Lord O'Donnell, in this important debate. Perhaps I should preface my remarks by stating quite simply that I voted to remain for reasons that I still consider valid but with which I will not bore your Lordships this afternoon. As soon as the result of the referendum was declared, I took the view that the decision to leave had been taken and that we should all buckle down and get on with delivering it. That remains my view and it is what I rise up to support.

The Bill we are debating—at once both vital and utterly prosaic—simply starts the clock ticking and lets negotiations begin and, in due course, end. That is its purpose. However, it reaches us with huge momentum behind it. Three years ago the referendum Bill was passed in another place without a single opposing vote at either Second Reading or Third Reading. The referendum asked the United Kingdom electorate whether the United Kingdom should leave or stay in the EU—an important point that I make in passing. The result last June was close but clear cut and, though technically it was advisory, the outcome was reinforced beyond any doubt by the repeated commitment of the Government, both in their 2015 manifesto and throughout the campaign, to implement it. So the Bill before us—overwhelmingly approved at all stages in another place and unamended—should command our respect as well as our scrutiny.

I say that in spite of, not because of, the somewhat crude, ill informed and self-defeating remarks of a few people in other quarters on what our duty in this House should be. The sovereignty of Parliament is not confined to one Chamber.

The Constitution Committee called for the decision to trigger Article 50 to be debated and approved in Parliament. We are pleased that that is happening, albeit by a somewhat circuitous route, and I hope the

[LORD LANG OF MONKTON]

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Government will consider carefully the remarks of the noble and learned Lord, Lord Hope of Craighead, about the approval that is to be sought at the end of negotiations.

We have called in the past for fast-tracking to be justified on the face of such a Bill. That has happened in this case and we welcome it. It is unusual for a Bill with constitutional implications to be fast-tracked, but this Bill's significance and the political implications driving the timetable have been widely acknowledged. Its clarity and brevity make fast-tracking more palatable and, as long as this exceptional situation sets no precedent on constitutional issues, it should be acceptable to your Lordships.

We in the Constitution Committee sometimes complain on your Lordships' behalf about long Bills inadequately scrutinised in another place, but that can hardly apply in this case. Indeed, the very brevity of the Bill underlines its singleness of purpose. That is its strength, which we should not seek to undermine. It is concerned simply with the timing of the negotiations—when they start and when they finish—and no more. It is not a skeleton Bill, it is not a Christmas tree Bill and it needs no adornment.

There seems to have been a tendency in recent months for us all to get ahead of ourselves, rushing our fences. Every time more information emerges, the demand comes for still more, ignoring the advances already made and all the debates, statements and committee work now under way, which my noble friend the Leader of the House illustrated in her speech. Of course the issues are many, complex and often interrelated, and as the binary decision of last June translates into a multitude of different issues, each having a separate decision-making process circling around it, we need to work between government and Parliament together to achieve the best Brexit we can.

We also need a little more cool, calm deliberation. That should reveal that a lot of things are beginning to fall into place. The Prime Minister's Lancaster House speech certainly carried things forward and the White Paper was full of information and undertakings that surely render many of the amendments now in contemplation unnecessary. The Lancaster House speech was transformative. It completely reset the dynamic for the forthcoming negotiations. Now, instead of seeming the anxious supplicant, desperately begging to hang on to so many features of that mighty European construct, she has cast us in a new light, determined to break free from that vortex of institutions, rules and regulations, and to come to the table as an unburdened applicant with much to offer in exchange for the new deal that we seek. That approach has already transformed the mindset of the other side and has perhaps begun to level the uneven playing field that we face.

Trade was mentioned with some degree of pessimism across the Floor of this House. As a former Trade Secretary—there are a few of us in this House; indeed, we are two a penny—my experience was that trade negotiations are usually driven by mutual self-interest, whether in a declining Europe or in a growing world of trade. That mutuality can certainly give us much more reason for optimism than has been expressed in some quarters today.

Now, with things beginning to move and clarity emerging, we should focus on the job in hand. Future debates and statements will be needed and will undoubtedly be plentiful, along with much primary legislation. The planned great repeal Bill—or great repeal and re-enactment Bill—especially will raise some uniquely difficult issues, about which the Constitution Committee is preparing a report at present that we hope will be a helpful contribution to the kind of co-operation between government and Parliament that will be needed.

Of more immediate concern, however, is our responsibility to fulfil both our parliamentary role and the declared will of the electorate and to get on with the job of approving this short, simple Bill, free from impediments that might slow its progress, so that the negotiations can begin.

5.45 pm

Lord Howarth of Newport (Lab): My Lords, the remain campaign told the people that the decision to remain or to leave was theirs. All of us should respect their democratic decision to leave. If we do not, public disaffection from politics will become a crisis. Those who meditate a second referendum are playing with fire. Besides, the deal will not be a binary constitutional choice appropriate for a referendum but a complex set of policy proposals.

To take back control must mean Parliament asserting its right and duty to invigilate the process of withdrawal and to give or withhold consent—whether by resolution or by legislation—in good time to the Government's proposals for new terms of our country's relationship with the EU. The Government were foolish to try to bypass Parliament. It is even more regrettable that they appealed the High Court's decision, depriving Parliament of proper time to debate this legislation before the March deadline. Ministers from now on should be as candid with Parliament as the state of negotiations permits, while Parliament should not seek to constrain Ministers unduly or jog their elbows.

All of us should be intent on healing the wounds opened up by the referendum. It is no way to reunite the country to introduce new grammar schools, slam the door in the face of child refugees, use EU residents as bargaining chips and threaten to turn Britain into an offshore tax haven.

The two great fears of remainers—that Brexit will be a disaster for liberal values and make our people poorer—are ill-founded. I voted for Brexit precisely because the EU is both undemocratic and failing economically. The twin faults of the democratic deficit and crassly constructed monetary union are fuelling public anger and revolt across Europe.

The structures of the communities created after the war and inherited by today's EU were intended, if anything, to insulate decision-making from democracy, following the catastrophic perversions of democracy in the 1920s and 1930s. In our time, the democratic deficit is provoking extreme reactions among populations who are aggrieved by the depressed conditions of their lives and feel that they are not effectively represented in the political structures of the EU, and that they are ignored or disdained by unaccountable EU elites.

Democracy has been trampled upon by the hierarchs of the EU. In Greece the Syriza Government, elected on a platform of mitigating austerity, have been coerced by the eurogroup of Finance Ministers, the ECB and the IMF into abandoning their commitments to Greek electors and serious suffering has been inflicted on them. In Italy, the replacement of Berlusconi by a technocrat selected in Brussels, Mario Monti, led to the rise of the Five Star Movement and the defeat of Renzi in the constitutional referendum. The fiscal compact of Merkel and Sarkozy wrecked Hollande's presidency of France and paved the way for the surge of the Front National. Reaction to an EU perceived as alien, undemocratic and overweening led to the rise of UKIP in Britain.

Outside the EU, we in Britain will be free to make our own policies on immigration, workers' rights, the countryside—free to legislate on all matters as we judge fit. We will have the opportunity to re-engage our people in a revitalised parliamentary democracy.

The referendum was both a great exercise in democracy and a low point in politics. Both campaigns were conducted without scruple—weaponised disinformation on the one side, alternative facts on the other. No wonder people think politicians are all liars. We need to rehabilitate politics. May we hope that leavers will resolve to appeal to the better, rather than the baser, part of human nature, while remainers will forswear condescension and the identity politics of metropolitan liberalism?

The EU is failing economically as well as democratically. The contractionary bias of the Maastricht criteria, perpetuated with the euro, has condemned the EU to weak growth, low investment and high unemployment. A combination of the global financial crisis, the crisis of the euro and neoliberal orthodoxy has devastated poorer areas and vulnerable social groups in the EU, with mass unemployment among young people in the Mediterranean countries. The protectionist policies of the EU keep prices higher and living standards lower in Europe than they need to be while discouraging innovation and economic dynamism. The single market is a sluggish, declining region of the global economy. It is no safe haven for us and we can flourish outside. Tim Cook, the CEO of Apple, said the other day:

"I'm not saying that there aren't going to be some potholes in the short-term. There are. But if you look beyond those the UK is going to be just fine. Not just OK, but great".

Since the referendum Apple has taken out a lease on a major new HQ in London.

If the negotiators for the EU truly care about the fortunes of those they should be championing, European workers whose livelihoods depend significantly on trade with the UK, more than they care about a grandiose political project which they fear electors in other European countries may also reject, they will want rapidly to conclude mutually favourable terms of trade with us. Beyond that, we must tackle our productivity inadequacies and seek new export markets, and we must take care to support those who will be most vulnerable during the transition. Blame not Brexit but George Osborne that fiscal austerity is forecast by the IFS to continue for another 10 years.

It amazes me that so many of my noble friends remain enchanted by the EU, apparently blind to its oligarchic character and to the humiliation and impoverishment of many millions of its citizens. The EU has not been the promised land to which Monsieur Delors was to lead us. On the contrary, a long series of directives and treaty amendments has entrenched a neoliberal and financial model of capitalism where once it was hoped that a social market and social democratic model would prevail. The dogma of employability and flexibility has transferred wealth from wage earners to owners of assets. It has been an illusion for the left in Britain to think that it can outflank a Conservative Government by contracting out responsibility for progressive social policy to Brussels. Increasingly, the European left is concluding that the only prospect of taming modern capitalism and averting the social ravages that it causes is at the level of the nation state.

Decent and determined political leadership in post-Brexit Britain will curb the excesses of finance, govern for all the people of the UK, decisively reject racism and insularity, and play a responsible part in the world. The choice will be open to us.

5.52 pm

Baroness Smith of Newnham (LD): My Lords, it will come as little surprise to Members of your Lordships' House that, on 23 June last year, I voted to remain. I am speaking today not to advocate reopening the debate on seeking to remain, the decision having been taken; rather, what I want briefly to reflect on—it is a different voice and a different perspective—is that, in the debate being held today and tomorrow, I believe that only five Members of the House who are to speak in it are part of what the noble Lord, Lord O'Shaughnessy, has called "Generation X", those of us who were born in 1969 or later. So the demographic of the speeches is perhaps a little unbalanced. The average age in the United Kingdom is 40, but I do not believe that any of the speakers in this debate are 40 or younger; five of us fall between 40 and 50. So the demographic is somewhat different from that of the United Kingdom where the majority of people of my age and younger voted to remain. These are people who cannot remember life before the United Kingdom became part of the European Union. They believed that their future was as part of the European Union and their identity is European at least as much as it was British. They felt that our future was as part of a mobile European society.

Over recent days and weeks, many people have emailed me and other noble Lords demanding that we should try to thwart Brexit and amend the Bill, and a lot of those calls are coming from people who were disenfranchised in the referendum: EU nationals resident in the United Kingdom and UK nationals resident in the rest of the European Union who had been abroad for more than 15 years. They are citizens who would not, if there were to be a further referendum or a general election before the UK leaves the European Union, be any more enfranchised then than they were last year. There are many people currently living in the United Kingdom whose rights need to be thought about and secured.

[Baroness Smith of Newnham]

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In my remaining minutes I want to touch on two key areas: peace and security, and the rights of EU nationals. The former does not feature at all in the 12 principles outlined in the Prime Minister's speech or in the White Paper. A reference is made to dealing with crime and terrorism, but there is nothing about the defence of the realm, something that as a sovereign country which has sought to "take back control" one might have expected to be important. While I have no intention of tabling an amendment to raise the issue of the European foreign and security policy, I would be grateful if the Minister could reassure the House that the Government fully intend to do what they have implied by going global, that they are going to work even more closely with other international organisations than they have in the past—the UN, the Commonwealth and NATO and with our erstwhile European partners.

We have an excellent reputation for bilateral and multilateral co-operation. Last week I was in Norway visiting the Royal Marines. Considerable training takes place on a bilateral basis with the Norwegians, the Dutch and the Americans, and that is clearly something we should be doing more of in the future, not less. Yet if inflation and a change in the economy weaken the UK's economic situation, can the Minister also reassure the House that that it is not going to create a hit on defence? The UK's global security questions are not going to change because of leaving the European Union, and the situation of Trump and Putin makes European security co-operation more important than it has ever been. Peace was the underlying value of the integration process in the 1950s and 1960s, and for me it was the fundamental reason to vote remain; nothing about the economy changes the importance of that and nothing about voting to leave means that we should do anything to weaken the security of Europe.

One of the things the White Paper does talk about in the first chapter is providing certainty for EU nationals resident in the United Kingdom. That is surely something on which we all agree. For the last six months, Members of your Lordships' House and Members on the Benches in the other place have been united in their wish that the UK should secure the rights of EU nationals resident in the United Kingdom on the day we voted to leave. However, in recent weeks there seems to have been a shift. The uniting of the country that the Prime Minister has called for really seems to be seen more as a uniting of the Conservative Party. The enthusiasm of those Members on other Benches, who had echoed Members on the Labour, Liberal Democrat and Cross Benches in wanting to secure the rights of EU nationals resident here, seems to have been dimmed in recent weeks. I am sure that the unity of the Conservative Party is important for the Conservative Party, but once this Bill goes through, it would be enormously beneficial to all for certainty to be granted for EU nationals resident in the United Kingdom. That is because our economy relies on them.

We can take the moral leadership. Reciprocity sounds wonderful, but the UK has a bad reputation with our European allies given that we do not always reciprocate. We need to take the lead on this one, because if the idea put forward by the noble Lord, Lord Lawson, that no deal is better than a bad deal takes hold, it will

mean that at the end of two years the rights of EU nationals will not have been secured in any way. Surely we cannot possibly condone such a situation.

5.59 pm

Lord Birt (CB): My Lords, I was a passionate remainer but I will vote to pass this Bill without a moment's pause for we simply must respect the people's choice. However, we are woefully underprepared for the gigantic challenges ahead. The White Paper, complete with its correction slip, was shockingly flimsy—as flimsy as the paper it is printed on. There were 300 to 400 bland words on immigration, for instance, and a host of questions about matters such as sectoral impact that should have been answered long ago.

Secondly, we are woefully overoptimistic. We are in a weak, not strong, negotiating position. It is in the EU's overall economic interest to negotiate a bespoke deal with us that facilitates free trade, but politics will trump economics. Some of the 27 countries on the other side of the table have very different priorities. Most will not want to see us benefit from exit and incentivise future breakaways. Some will put the spoke in the wheel for their own domestic reasons. For example, Spain's concerns on Gibraltar may affect the multiple freedoms our airlines currently enjoy in Europe, worth a whopping £60 billion a year to the UK economy. Some European countries will be opportunistic and look for advantage. I have a good friend working for the French authorities to facilitate the transfer of financial services from the City to the Île-de-France. I personally know of one major British bank that is actively exploring moving half its workforce out of Britain. The EU 27 represent 44% of UK trade, but we are just 8% of theirs. We need a deal far more than they do, so no one but no one can predict with any confidence at all the outcome of such complex, multiparty negotiations.

Thirdly, we appear woefully blind to the risks we are running. There are three roughly equal trading blocs in the world—North America, Asia and Europe—but trade halves as distance doubles. It is hard to believe that the scope for increasing our trade with the rest of the world—56% of our trade now—will be greater than the damage we risk to the 44% of trade we conduct on our own European doorstep.

We are also poorly positioned economically and politically to navigate these unsettled waters. We have just experienced nearly a decade of, I would suggest, unavoidable austerity. Ten years of flat personal incomes or worse and a creaking, overstretched public sector, accompanied by the biggest surge in immigration in our history, created the sourness and frustration that underlay the 23 June result. Yet, immigration is vital to our economy at every level, whether picking the cauliflowers in Lincolnshire, staffing our care homes or attracting some of the best brains in the world to power our financial service industries. We meddle with all that at our economic peril. Squaring the circle—meeting our economic interests while achieving the political consent of a discombobulated population—is a huge political challenge.

The backdrop to meeting that challenge is grim. The noble Lord, Lord O'Donnell, mentioned his role in the IFS. As the IFS's work demonstrates, it seems

highly likely that Brexit will prolong public and private austerity in the UK well beyond 2025—well into a second decade. The mood of the country will become more disgruntled still, with unknown consequences.

We are all in this together now. What the Government must do from here on in is show proper respect for our institutions; involve Parliament meaningfully; unite a nation divided down the middle; be hopeful yet realistic, but not giddily optimistic, about our prospects; and be honest and open with the British people about continuing austerity and the white-water ride ahead.

6.04 pm

Lord Boswell of Aynho (Non-Afl): My Lords, I am grateful for the opportunity to contribute as chair of your European Union Committee. I thank the Leader of the House for her very generous remarks about our work, which I will certainly pass on both to my members and, more importantly, to our very hard-working and excellent staff.

To turn to the matter in hand, I will first outline the committee's position. Individual members of the committee and its six sub-committees, who total 73 Members of your Lordships' House, of course have their own personal views on Brexit. Indeed, many of them are speaking today and tomorrow in the debate. But as a committee we made it clear before the referendum last June that it was for the people to decide whether to leave. Our job as a committee is to play our part in ensuring that Brexit is achieved in the most effective way possible.

In seeking to fulfil this objective, the committee has done two major things since the referendum. First, it has been publishing a series of reports on the implications of Brexit for specific policy areas. Six were published on consecutive days before Christmas, another last week, and a series will follow in forthcoming weeks. Some of those reports have already been debated and I hope there will be further opportunities for your Lordships' House to debate other reports in the weeks to come. Accurate information, analysis, scrutiny and transparency—and, of course, impartiality—are our watchwords. Those are the Government's and the public's best allies in making a success of Brexit. I ask the Minister to give us an undertaking that the reports of my committee, and of other committees of your Lordships' House not necessarily within our family, will be taken genuinely into account as the negotiations get under way.

Secondly, we have consistently stressed the importance of full parliamentary accountability during the negotiations themselves. We all understand by now the principle of "no running commentary", and as a committee we accept that parliamentary micromanagement of the process would be inappropriate. But neither is mere accountability after the fact sufficient. It is not enough that Parliament will get a vote at the end of the day in early 2019, presented with a "take it or leave it" offer—take the deal, however bad, or take the catastrophic consequences of a forced and disorderly Brexit. Consent must be earned over time and by dialogue, so the Government need to embrace scrutiny and provide a regular, appropriate flow of information to parliamentary committees throughout the negotiations.

To be fair, the Government appear to have conceded this point, though in slightly oblique terms, by offering Parliament at least as much information as is to be made available to the European Parliament, but how much information that will be in practice remains to be seen. We now need specific, concrete commitments. The Government should heed the words of Sir Ivan Rogers in his evidence last month to the House of Commons European Scrutiny Committee, when he described Brussels as "very leaky", and said:

"You should all expect an awful lot of this negotiation to be conducted very publicly".

The Government would be wise to make a virtue of necessity and involve Parliament fully in the process from the outset. To revert to our report, we also argued that both Houses should have an opportunity to approve the Government's negotiating priorities before Article 50 is triggered. It does not appear that this will now take place. I regret that. It is a missed opportunity and I hope it is not to be the first of many.

The Bill, of course, has just one object: to authorise the Prime Minister to make a notification of withdrawal under Article 50. That objective is of course entirely consistent with the outcome of the referendum. Therefore, whatever my personal views of the outcome, I must support the Bill. As a non-affiliated officeholder, I have not voted in any Division since my appointment, nor will I take part in any votes on individual amendments to this Bill, the merits of which are matters of political judgment. But I repeat: the people of the United Kingdom have spoken and it is incumbent on all of us to play our part to ensure that Brexit is delivered in the most effective way possible. Therefore, as chairman of the European Union Committee, I feel obliged to support the Government in giving effect to the decision taken by the people on 23 June last year. If any material attempt is made to frustrate the Bill, I will vote for the Bill to prevail.

6.10 pm

Lord Eames (CB): My Lords, once Article 50 is invoked, the negotiations will be complex and profound. Already in this debate we have been reminded of that complexity. No one doubts the severity of the pressures which will be exerted on all sides to make sure that particular local interests are safeguarded.

Any negotiation involves compromise, yet it is in the careful use of language, not least today in this Chamber, that so much of the atmosphere in which those negotiations will take place will be dictated. So it is that we want to be careful in the use of our language and the way in which we express deeply held views on Brexit. However, given that background, I wish to make a strong plea at this stage of our debate that the particular concerns of a part of the United Kingdom which by a small majority voted to remain in the European Union should not be overlooked and forgotten.

There have been verbal assurances that those concerns will be watched and safeguarded. Those assurances have been given at different levels: they have been given in the other place and in this Chamber, and they have been welcomed. But inevitably, at this stage they are purely verbal. If I may presume at this stage of the Bill to emphasise the needs that that part of the United Kingdom, which voted to remain, genuinely

[LORD EAMES]

feels lie within the roots of its future, it is the old theory of the slowest ship dictating the quality of the convoy—and, in this instance, a small part of the United Kingdom being recognised because of its concerns—which contributes to the quality of the democratic process in which this House is involved.

The consequences of Brexit could have more significance for the people of Northern Ireland than for any other part of the United Kingdom. Indeed, those consequences are more profound for the island of Ireland than for any other member state of the European Union. Brexit raises complex and profound questions which go far beyond law and constitutional matters. In the case of the island of Ireland, they bring to the fore the importance of human relationships and historic commercial and non-political alliance, and they focus on the tragedy of so much of the history of that part our kingdom. Speaking from my experience of more than 20 years as the Anglican Primate of All Ireland, I am given strength in drawing the attention of the House to these other issues which cannot be left aside in the important constitutional process in which we are involved.

The history of how the current healthy relations between the United Kingdom and the Republic of Ireland have been achieved is well documented. Many of us in this House have lived in and through those negotiations and episodes. There are some in your Lordships' House who have made significant contributions to their achievement. Within Northern Ireland, the long journey to true and strong reconciliation between its peoples continues. None of us who have been privileged to be a part of that journey and to try to give some leadership and influence in it needs to be reminded of the risks in any alteration to the sensitive relationships north-south and east-west.

It is tragic that at this decisive moment the collapse of the Northern Ireland Executive has produced a vacuum in the political peace process. We have come a long way on the road to a reconciled and shared community, but we have a long way still to travel. That is where the relevance to us of much of the Brexit debate comes in.

When Article 50 is invoked, it is those people of the United Kingdom living in Northern Ireland who will have the nearest livelihood and interests to the border—not just to the border with the Irish Republic but to that which has become the border between our United Kingdom and the European Union. It is they who will be affected by any new restrictions to that border. It is their lives which will be the most affected by any change in the nature of that border. It is they who will be among the first to experience the consequences of forthcoming negotiations.

As I said, there have been assurances. I hope that, in answering this debate, the Minister will be able to remind the House of the Government's intention that there can be only an open land border between the United Kingdom which is Northern Ireland and the European Union which is the Republic. I give tribute to the noble Lord, Lord Dunlop, for the way in which he has answered our concerns, but much more is involved in this issue than a line on the map.

6.17 pm

Lord Forsyth of Drumlean (Con): My Lords, the supporters of Brexit have been called many things: ignorant, gullible, naive, uneducated, bigoted—the right reverend Prelate the Bishop of Southwark has added a new one, which is quixotic—and much worse by people who refuse to accept the result of the referendum. I am told that social media are flooded with unending streams of abuse and four-letter words.

I believe that the four-letter word which should concern your Lordships today is duty. It is the duty of this House to consider legislation carefully, to ensure that it meets its objectives and that the drafting is appropriate and, above all—as the Leader pointed out in her excellent opening speech—to respect the primacy of the House of Commons. The Bill before us has been passed unamended and overwhelmingly by the elected House of Commons. As the noble and learned Lord, Lord Hope, pointed out, the judgment of the Supreme Court required the Government to obtain parliamentary authority for the notification of the UK's withdrawal from the EU under Article 50. That is all this Bill is about—nothing more, nothing less. It will achieve that policy objective and nothing more. It is closely drawn and narrow in scope. It is our duty to pass it quickly and without amendment. The leader of the Opposition—by which I mean the leader in the other place—argued for moving Article 50 immediately on the day after the referendum result, and David Cameron had to be restrained from doing the same thing. Yet now we are having this great stramash about doing what the two leaders of the strongest parties in our country wanted to do on the day after the referendum.

Parliament voted overwhelmingly to hold a referendum on our membership of the European Union. The Government spent £9.3 million of our money on sending a leaflet to every household in the country during the campaign. It said,

"The referendum on Thursday, 23rd June is your chance to decide if we should remain in or leave the European Union ... This is your decision. The Government will implement what you decide".

What part of that do those on the Liberal Benches not understand? It is our duty to ensure that that promise is kept and that the democratic decisions of the people and the House of Commons are upheld.

This brings me to the Liberal Democrats. They are opposed to the composition of this House, arguing that it lacks democratic legitimacy. Despite being reduced to a rump of nine Members in the House of Commons, more than 100 of them have landed here like beached whales noisily swimming against the democratic tide. Their hapless leader, Tim Farron, was almost alone, it seems, in welcoming Tony Blair's ill-judged and embarrassing rallying cry on Friday for people to revolt against the decision taken by the largest number of voters in our history. How galling for Keir Starmer, who carefully and responsibly led Labour in the Commons, and how much more so for the 346 Members of the House of Commons who opposed leaving the EU but who voted for the Bill because they are democrats. They put the supremacy of the democratic mandate ahead of their personal views.

"Education, education, education"—remember that? It was once Tony Blair's winning soundbite. Cloned from Shakespeare's "Othello", the original seems more appropriate today:

"Reputation, reputation, reputation! Oh, I have lost my reputation! I have lost the immortal part of myself".

The Liberals care not if this House loses its reputation. They have the brass neck to boast in the press that they will use this place as a platform to reverse the decisions of the elected Chamber and challenge the people's verdict in the referendum by calling for a rerun. If Brussels thought the terms of Brexit must be approved in a second referendum, then of course they have every incentive to do their worst for our country. Of course, the country the Liberals—I refuse to call them Liberal Democrats—are fighting for is the European Union and if they damage the standing of this House in the process, so much the better. [Interruption.] The Liberals ask why I refuse to call them Liberal Democrats. It is because they do not support the democratic decision taken by the British people and by the other place, but seek to subvert it.

If the Liberal Democrats' antics are extraordinary, they have pretty strong competition from the Scottish Nationalists. They won 57 out of 59 seats in Scotland on a platform that decisions that affect Scotland should be made in Scotland. Within a year they have disgraced their supporters by singing the European national anthem in the Chamber of the House of Commons. They have refused to seize the opportunity to bring control of fishing and farming policy back to the Scottish Parliament from Brussels. Can you believe it? Not a single piece of legislation has been introduced to the Scottish Parliament since the election nearly a year ago. The only draft Bill, we are told, is one to hold another independence referendum. Like the Liberals, it seems that the parties which are most enthusiastic about holding referendums are the ones which refuse to accept the results. The party with the largest percentage of supporters voting for Brexit in Scotland was the SNP. More than a million Scots voted to leave the European Union, despite all their political leaders campaigning for remain and encouraging their elected Members who supported Brexit to keep silent. Some MSPs, like Ross Thomson, bravely campaigned for Brexit while others, like Alex Neil, the SNP Member, voted secretly to leave. For the First Minister, 1.6 million matter but a million are an inconvenient truth.

This House has an important part to play in helping our nation to make a success of Brexit, through its many Select Committees, as my noble friend Lord Boswell pointed out, and through the debates that lie ahead. There is expertise here and our reputation for cross-party co-operation and an evidence-based approach to policy is undiminished. As the noble Lord, Lord Patel, told us, we should pass the Bill and get on with that task. According to the polls, almost two-thirds of voters want Parliament to do just that. We must not let them down.

6.25 pm

Lord Hain (Lab): My Lords, critics ask what right have I, an unelected Peer, to oppose the Bill or even to seek radically to amend it, especially when the Prime Minister is behaving as if she represents only the

52% of citizens who voted to leave. I do not deny that they won, or that the outcome must be respected, but what about the 48% who voted remain? What about Scotland, where independence is threatened, or Northern Ireland, where the peace settlement is threatened? The truth is that the country was split down the middle and it still is. If the Prime Minister were really acting in the national interest, she would be representing remainers, too. She would be pursuing a one-nation Brexit, not a partisan, hard, right-wing Brexit. However, I fully understand and respect that, for many MPs and noble Lords, the vast majority of whom, like I did, campaigned and voted to remain, the Bill is agonising and they feel duty-bound to act in line with the referendum result. However, for me, a one-nation Brexit would, as a minimum, mean protecting jobs and prosperity by remaining in the single market—in line, by the way, with the last Conservative election manifesto—albeit with a deal on movement of labour to and from the EU being linked to having a job, and on stopping or returning those who do not have one.

A one-nation Brexit would also mean guaranteeing a completely open border between Northern Ireland and the Republic, with no security checks and no controls, physical or electronic. Otherwise, the peace process could unravel.

Cutting us off from our biggest market, where nearly half our trade is done, will have devastating consequences for the economy, jobs and millions of individual citizens' lives. The detailed terms of the divorce are likely to be serious. There will be a cost, estimated at between ϵ 40 billion and ϵ 60 billion, for the UK to fulfil its existing obligations. The future relocation of the two EU institutions located in the UK, the European Banking Authority and the European Medicines Agency, will lead to a direct loss of highly skilled jobs and an exodus of companies located here which value proximity to these agencies, as the Japanese Government have warned.

Failure fully to protect property, contract, pension and residence rights under European Union law, which we, as EU citizens, have acquired, as well as social security, healthcare and mutual recognition of qualifications, could lead to the repatriation of an estimated 1.25 million British migrants from other European Union countries, both retired and working. Financial services, which provide 11% of Treasury revenue and 10% of our GDP, risk losing their "passport" to the EU of regulatory equivalency, already leading to the banks announcing plans to move jobs to rival financial centres, such as Frankfurt, Dublin, Paris or New York. EasyJet has drawn up plans to leave its Luton headquarters and relocate to the continent, as UK-based airlines risk losing access to the EU's deregulated aviation market after Brexit. The car industry fears crippling tariffs, while the UK aerospace industry, critically including Airbus in Wales, also fears that European contracts may be at risk. These industries are key to maintaining the UK's tax base and skilled workforce and are crucial to the regional economies where they are based. Is this really the outcome that voters in these vital sectors wanted to see? Surely not. They voted to leave the EU to take control, not to lose control.

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[LORD HAIN]

Almost universally overlooked is that the right to free movement has never been unconditional, even under current European Union rules. In fact, the UK already has a number of effective tools available to it to manage migration from the EU, if it wishes to do so. Other European Union countries, such as Belgium, send thousands of people back to their own country every year; for example, if they are not in work. Rather than turning our backs on our largest export market in the EU, would not a more constructive approach have been to try to agree a new interpretation of free movement of labour; namely, that this should apply only to the 60% of EU nationals with offers of employment from British employers who need them?

We now learn that if we cannot get the EU trade deal we want, the Government want to jump into what you might describe as a "Trump Brexit" to make Britain a low-tax haven with lower labour and environmental regulation, in an attempt to attract foreign firms once we have left the EU. That would also mean continued shrinking of the state, even more savage cuts in public services and even greater inequality, hitting our poorest and most vulnerable citizens the hardest. That would be a betrayal of almost everything I have fought for in both Houses of Parliament for more than a quarter of a century. Despite our party leader's three-line Whip to march through the Lobbies with the Conservatives for this Trump Brexit, and as a matter of principle and conscience, I will vote against the Bill if the Government do not accept key cross-party amendments that have been tabled.

6.31 pm

Baroness Walmsley (LD): My Lords, every day we start our deliberations by asking for wisdom and understanding. We pray that our counsels may result

"the public wealth, peace and tranquillity of the Realm, and the uniting and knitting together of the hearts of all persons and estates within the same".

Whether or not we are religious, these objectives should unite us all. Currently this country is very divided and very angry.

When I came to the House of Lords, I knew that I did not represent a geographical constituency. I understood that I was here to represent all the people of the United Kingdom and to do what I judge the right thing according to my conscience. That is what I propose to do. Last time I looked, every Member of this House was equal. His or her opinion was equal and his or her conscience was equal. Last time I looked, it was customary to treat the opinions and consciences of other Members of the House with some civility and respect. I have to say that the speech before last did not do that and did not serve that Member's cause very well.

Your Lordships' House has a duty to scrutinise legislation in detail and to ask the Government to think again when they are going in the wrong direction. There is precious little detail in the Bill but I judge that the Government have chosen to take the country in the wrong direction. There is no mandate for it. There is no majority to leave the single market. If we continue along this path, our people will be poorer and our country will be more isolated and less influential in the world. So I will be supporting amendments to protect the rights of citizens of other EU countries who live and work here, to protect our access to the single market and to allow the people of this country to have the last word, for the sake of our unity and democracy. That is what I believe democracy is.

As your Lordships will be aware, I speak for these Benches on health and social care. There are three main healthcare reasons why I believe the Bill should be amended. They boil down to: people, healthcare and Donald Trump. There are tens of thousands of EU citizens working in our health and care system and the Government are using their future, and the future of those they care for, as a pawn in a misguided game of cat and mouse with the other 27 countries. Without them, the staff shortages we are already experiencing will be a lot worse and patients will suffer. 1 am pleased there has been a cross-party outcry from your Lordships about this, so I hope all will vote for an end to that foolishness.

Secondly, the businesses which provide the drugs, medical devices and treatments that British people need will be badly affected by a hard Brexit. That is why I support access to the single market rather than just waving a white flag and not even trying. The pharmaceutical products most of us depend on are developed by research by networks of scientists working together across Europe. These networks are already suffering and the massive EU funding from which they benefit is being put at risk. Clinical trials taking place here in the UK are at risk. UK patients get access to new and cutting-edge treatments because of them. The UK has played an enormous role in the regulation and licensing of medicines for the whole EU. Indeed, much of the expertise is here. It makes no sense to develop our own system. We could lose a lot of that expertise.

Companies will always develop products for big markets where the profits are. Why would they want to develop a product to satisfy the regulations in a market of 68 million people when they could sell to a market of 400 million? Medicine distributors warn of cost increases, decreased access and even shortages. Harmonised regulation is not a burden. It gives us the freedom to sell and the confidence to buy. Why throw it away? Medcare products frequently cross borders in the course of their manufacture, packaging and labelling. Having tariffs imposed on them will increase their costs and decrease their competitiveness. So, for the sake of UK patients and their access to affordable and cuttingedge medicines and treatments, I will be supporting an amendment to give us continued access to the single market and the customs union.

Then there is Donald Trump. Our NHS is probably our most valuable asset. Already a lot of American healthcare companies are sniffing around to see what they can pick up. We all heard what Trump said about trade deals putting America first—America first, not the UK first. So anyone who thinks a trade deal with the USA will not result in a lot of our health services being run by American companies must be completely mad.

Finally, I will be supporting an amendment to ensure the approval of the British people for the deal put before them by the Government. All those who are most affected should have a say, including those who were denied one in the last referendum with its gerrymandered electorate, such as: citizens of other EU countries who live here; British citizens who have lived for many years in other EU countries; and 16 to 18 year-olds whose future study and work opportunities will be damaged by Brexit.

We have a representative Parliament and we are not used to referenda. But perhaps, having ventured into that area, we should have taken a leaf out of the book of the Swiss. Here, our future wealth and well-being are being hijacked by an advisory referendum in which only 37% of a gerrymandered electorate voted for the change. That means that 63% did not. I believe I am here to speak for the 63%, along with all those groups that were not allowed to vote at all. So for those reasons, and, as other noble Lords have mentioned, because times have changed since 23 June, we need a referendum on the final proposals. You cannot start the process with some form of democracy and finish with a stitch-up. The long-term future of the UK and its population is at serious risk and this House must do its duty and ignore bullying threats about its own future.

6.38 pm

Lord Empey (UUP): My Lords, during the debate, a number of noble Lords have kindly referred to Northern Ireland. Of course, we are extremely grateful that Members are taking a keen interest. We are the most affected region, I guess, because we have a greater complication than anybody else. Not only that, but because of the profile of our economy—its significant agricultural and food production aspects—it is a bigger deal for us than perhaps for other parts of the country.

At this time the Northern Ireland Executive have massively let the people down. They have become engaged in a war with themselves. They have collapsed. Since 24 June last year, their total written contribution to Her Majesty's Government has been one letter, of two pages, which was written in August and merely stated the obvious. When the Brexit Secretary of State visited Belfast in September, he had to have two meetings with the two coalition parties. They would not even meet him together. This is a hugely important issue for our people, our businesses and our future yet the behaviour and performance of that Executive has been an absolute disgrace.

The noble Lord, Lord Forsyth, said that the Scottish Parliament had not produced a single piece of legislation since it was re-elected. We in Northern Ireland can do better than that; we have produced one piece of legislation, the finance Act. No other legislative device has hit the statute book since the elections of last year.

I do not support a physical border between the Republic of Ireland and Northern Ireland. I certainly agree with the noble Lord, Lord Hain, that everything we can possibly do to keep that border open must be done. However, I caution him not to close the door on electronic or other technical mechanisms, because using those could avoid having the physical border that would be a major setback for us all. We have to keep our minds open and look at all the possible methods.

This leads me on to an issue that I have raised with the Minister—the noble Lord, Lord Bridges—on other occasions when he has given answers in this House. I ask him to give an absolutely clear, definitive guarantee at the close of this debate tomorrow night that there will be no border in the middle of the Irish Sea so that we would not find ourselves, as citizens of the United Kingdom, effectively seeking entrance to our own country when we turn up at Stranraer. I want to be absolutely clear: I will be waiting for that absolute and certain guarantee tomorrow night and, should we be here until 7 o'clock the following morning, I will be here to hear him. If that guarantee is clearly given, it will free us up to look closely with our colleagues in the Irish Republic at how we can fix this. We have had meetings with them and their minds are open. We have to look at all the options. It is not going to be easy but it has to be done, so I hope that the Minister will give me that guarantee.

The other thing which I would caution colleagues about is linking the Belfast agreement to the European exit. I do not doubt that there are political issues involved but there is no legal link. The results of the court case that was held in Belfast and subsequently referred to the Supreme Court are clear. The mentions of the European Union in the agreement are incidental. As one who was privileged to be in those negotiations for more than two years, yes, Europe was mentioned but in the context of the commonality between ourselves and the Republic, and what assistance it could give. I have to put on record that it gave us a special peace fund, which no other part of the European Union had. It is still working and we are very grateful for it. I make it clear that, while there is a political link, there is no legal or constitutional link.

My final point is that, having been part of a very complicated negotiation lasting over two years, I have to say that the expectations of some noble Lords as to how such negotiations can be conducted is somewhat wrong. Up until one hour before those two years of negotiations ended, I could not have said whether there would be a deal. Noble Lords may think that you can put everything out in front of the people you negotiate with and tick the boxes off every quarter, but that is an unrealistic prospect. Ministers have to go in and negotiate.

I assure your Lordships that if we had had to look over our shoulders every five minutes, when we were assailed from all sides by people shouting "Traitors!" and "Lundies!" at us outside the gates, and on top of that say every few weeks what we were discussing then we would never have got an agreement. So please do not believe that you can conduct an international negotiation on such a scale—a much bigger scale than we were involved in—and, at the same time, hog-tie the Ministers. They must be free to negotiate. If they do a good job, fine; if they do a bad job, then we will know and have an opportunity to pass judgment on them. Can your Lordships imagine what the negotiators on the other side of the table would do in those circumstances, knowing that they could cut the ground from under the Ministers negotiating with them? What would you expect them to do? If our opponents had

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[LORD EMPEY]

known what our bottom line was on a particular issue, we would have been slaughtered before we even got to a deal.

Members have to be realistic. Whatever people may think, the fact of the matter is that David Cameron looked people in the eye, through the camera, and said, "This is an 'in or out' referendum". We recommended remain because of our particular circumstances but the vote is over. We now have to implement the decision and you cannot do that with your cards face up on the table, because the person on the other side of that table will simply take every advantage. You would have no leverage whatever and simply be humiliated when you came back. We have already seen what could have been done when David Cameron negotiated with Europe. If he had asked for more and Europe had been generous in giving it, we might not be having this debate today.

6.46 pm

Lord Faulks (Con): My Lords, I should begin by telling the House that I voted to remain in the European Union. I am sure that, as my noble friend Lord Lang said, the House is not remotely interested in my reasons, but they were in fact congruent with the reasons that I attempted to advance from the Dispatch Box. Noble Lords will know, if they have had ministerial experience, that that is not always the case. Other noble Lords may have had better or different reasons for voting to remain. But we know neither the reasons for voting to remain nor the reasons why the majority voted to leave the European Union. We can speculate, of course, that it was to do with immigration or sovereignty, or a dislike of the European Court of Justice. But we do not ask voters to give reasons for their votes, whether in council or parliamentary elections or in a referendum. The noble Lord, Lord Mandelson, clearly has greater insight into voters' motives than I do.

The referendum Act which I had the privilege of assisting through your Lordships' House does not contain implementation provisions. What did voters or parliamentarians expect to happen, were the British people to vote to leave the EU? If they had read the Government's publication of February 2016, *The Process for Withdrawing from the European Union*, they would have realised that the Prime Minister had indicated clearly that the British people, if they voted to leave, would expect the UK Government to notify the European Council straight away, pursuant to Article 50.

During the passage of that European referendum Bill through your Lordships' House there were debates, often heated, about the virtues or otherwise of membership of the European Union. A great many amendments were put down, but they were concerned with the franchise—what one might call the rules of engagement in relation to the referendum campaign. All the major parties agreed that there should be a referendum. No parliamentarian put down an amendment spelling out what the consequences of an out vote would be. There was, for example, no amendment on thresholds or the sort of Brexit that would follow—let alone anything about a second referendum.

Following the referendum vote, the Government thought that they could rely on the royal prerogative

to trigger Article 50 but decided not to do so immediately. As noble Lords know, there followed a legal challenge. Ultimately, the Supreme Court concluded that, notwithstanding a resolution of the House of Commons in favour of triggering Article 50, the notice could follow only actual legislation—although the Supreme Court was at pains not to be specific about the form of legislation. One could say that this short Bill before your Lordships' House represents minimal compliance with the Supreme Court's ruling—but in my view it respects the decision of the court. At paragraph 122 of the Supreme Court's judgment the noble and learned Lord, Lord Neuberger, said, in speaking for the majority:

"There is no equivalence between the constitutional importance of a statute, or any other document, and its length or complexity".

Notwithstanding the interesting observations by the noble and learned Lord, Lord Hope, the Bill shows respect for the rule of law and the decision—and, of course, for the independence of the judiciary. After the decision of the Divisional Court there was a lamentable attack on the judges by some of the media. The Government were rather slow to condemn it. I am glad to say that they were much quicker to evince acceptance of the Supreme Court's judgment.

Why was it important to defend the independence of the judiciary? It was not because of any hypersensitivity on the part of the judges, who are used to robust criticism of their judgments; it is because of the critical importance in the function of the constitution that the Government should show respect for the rule of law. If one needs any illustration of the importance of that principle, one only has to look to the United States of America at this very moment. I should add that I do not suggest for a moment that the role of judges in the constitution does not deserve examination. Indeed, there is an important debate to be had about the proper reach of judicial power—one that is taking place under the auspices of Policy Exchange's Judicial Power Project. However, there can be no doubt that the Supreme Court acted entirely within its powers in the Gina Miller case and came to a conclusion that was in accordance with the law.

Various noble Lords have put down amendments to the Bill, seeking no doubt to improve the legislation—but on what basis can they reasonably do this? Is it because they are seeking to attribute reasons for the United Kingdom voting to leave which were not in fact provided by the vote? I suspect that the motive is a perfectly worthy one, which is to ensure that the terms of our departure are as satisfactory as, in their view, can be obtained—or, in the case of the Liberal Democrats, that we have an opportunity to think again.

No one on either side of this debate can properly be described as lacking in patriotism. All noble Lords, I am sure, are anxious to ensure the best possible outcome for the United Kingdom—and I do not welcome veiled, or not so veiled, threats to abolish this House if it does not simply acquiesce with the Commons. However, respect for the rule of law and the democratic process drives me to the clear conclusion that we, the unelected House, should pause long and hard before fettering the Government's undoubted powers to withdraw from the European Union under Article 50.

Rarely do Bills return to the House of Commons without your Lordships having improved them. I am sympathetic to the amendments that concern the rights of EU citizens and the desirability of a so-called meaningful vote after a putative deal has been reached, but I expect to be reassured on these points by my noble friends the Ministers, who will regard these amendments as essentially probing. Our chance to influence matters will come, but we must realise our limitations as the unelected House. The noble Baroness, Lady Ludford, whose enthusiasm for and experience of the EU is much respected, said in the recent edition of the *House magazine* that,

"the unelected Lords may again have to pressure the Commons to better represent the people".

There are so many ways in which I am uneasy with that observation that I think it had better speak for itself. No doubt when the noble Baroness winds up this debate she will be able to enlighten us on the democratic legitimacy of that observation. My present view is that we should send this Bill back to the Commons with neither a word added nor a word subtracted.

6.53 pm

Lord Whitty (Lab): My Lords, I hope that the House does not follow that advice. I cannot support this Bill as it stands and in the context in which it is being proposed. I could simply say that as chair of one of those EU sub-committees which the noble Baroness commended earlier for their work, I should maintain a degree of neutrality and abstain—but the reality is that I do not want my name recorded as supporting the removal of my country from a European Union which, for all its imperfections and its failings, is the best hope for peace, prosperity, security and justice on a continent that has been scarred by war and oppression through previous centuries.

However, I agree—who cannot?—that the people have spoken. Not for the first time, I do not agree with them, but I accept that the decision was valid and I do not join some remainers who say that the vote was less valid because of its correlation with age, lack of educational attainment or distance from the M25. It was a valid vote and a clear vote. Indeed, after the vote I counselled some of my colleagues that we should not seek to frustrate the triggering of Article 50, and that the key point would be when the final deal was presented—and it should be presented to Parliament.

I have somewhat modified that view since the Prime Minister's speech of 17 January. That speech and the apology for a White Paper that followed have frustrated the aim to which I thought the Government were committed of getting the best possible Brexit option, or even of exploring the range of options open to us. I co-chaired the two sub-committees that produced the report *Brexit: the Options for Trade*. I will make a somewhat more technocratic speech on that report when it comes before the House on 2 March. Suffice it to say for now that the big print is that in the whole range of witnesses from industry, business, academia, the trade unions, consumer groups, lawyers and other professionals, the vast majority argued that the least disruptive and to them the most attractive option for

Brexit was retaining, for most purposes, continuing membership of the single market, probably in some form of EEA/EFTA-type deal. Most also argued that to cushion the change for British industry over the period, we would need some continuing engagement, at least in the short term, in the customs union, which would also alleviate the situation in Ireland, which many noble Lords have spoken about.

The 17 January speech slammed the door on both those options, and the White Paper made it even more explicit. It is not this House, the Supreme Court or the remoaners who have forced the Government into a position where they have restricted their options. Of course, it is possible not entirely to blame the Government. Those who were arguing that we needed a plan are probably deceived by what they wished for. What we now have, with the plan in the White Paper, is a rejection of the two most favoured options for British industry and a reduction of the forward strategies to a binary strategy in which we either negotiate—it would be quite a long negotiation—a complex free trade agreement with the EU, with probably unachievable bespoke sectoral agreements within it, or, if we cannot get such a deal, we have no deal and revert to WTO terms. In practice, that means not only with the EU but with most of the rest of the world. That is a terrible option for the United Kingdom, and it was not what was talked about in the heady days of the referendum campaign. Nor was it clear on 24 June or during all those months when we were simply being told that Brexit means Brexit. In fact, none of it was clear until 17 January—but I am afraid that it is clear now.

If this Bill, or something like it, had been put to us last autumn, I would probably have supported it, although I would clearly have pressed for better parliamentary scrutiny of the negotiating process, which we still do not have. We have been told that in order to maintain the confidentiality of the Government's negotiating position, we should not expect a ball-by-ball commentary. That is fair enough, but in the 17 January speech, the Government in effect announced their negotiating strategy, not to a trusted parliamentary committee but to the world at large. This is not a game of cricket; it is not even a game of chess. It is more akin to joining 27 professional poker players, and before you have even sat down you have thrown away your two best cards and displayed most of your hand to the rest of the world. That is the exact negation of effective negotiation, and I am surprised and shocked that the Government are finding themselves in this position and are asking us, in effect, to endorse it.

I recognise the importance of the migration issue and that migration trumps—if I can use that term—issues of access to the single market. But no attempt has been made to try to get a deal on migration: something between absolute freedom and absolute control. Such a deal could have been possible, but now no longer is.

This House should not ignore the will of the people, and nor should it lightly challenge the elected House—but we are entitled to ask the House of Commons and the Government to think again and to reflect back to them the view of the vast majority of British business that they should not close all options and that we

[LORD WHITTY]

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should look at that again. We are entitled to ask them to think again on that, as we are to insist on more effective parliamentary scrutiny.

I probably will not vote for this Bill, but if the burden of opinion in the Lords is to amend it, then none of us should be afraid of so doing because of the threats to abolish or reform this House. None of that cuts much ice with me; for 20 years I have sought the abolition of this House in its present form. But I hope that, for the reputation of this House, those who are more wedded to its present form will not be frightened into bowing down before that threat and failing to amend this Bill effectively.

7 *pm*

Lord Oates (LD): My Lords, like many in your Lordships' House, I deeply regret the circumstances that have brought us to consideration of the Bill. However, after the tirade from the noble Lord, Lord Forsyth, against the Liberal Democrats, I am at least reassured that we must be doing something right, and have never been prouder and happier than to be on the opposing side of an argument. Nevertheless, the referendum has happened and I accept that the Government had to carry out its instructions. But they had a choice about how they did so.

The Government could have acted boldly by consulting Parliament immediately and meaningfully, and publishing a Bill six months ago. They could have set out a policy which discharged their duty to negotiate withdrawal, but did so in a manner that took into account the views of the whole nation and gave protection to our economy. They could have acted decisively to reassure EU citizens in the UK, and consequently British citizens in other EU countries, that their rights would be protected. But they did none of that. Instead, they asserted the royal prerogative with the arrogance of a medieval monarch, and fought to prevent Parliament having a role. Instead, they decided to embark on extreme Brexit, exiting not only the EU but the single market and the customs union too—decisions which our current Chancellor warned, just a few short months ago, would be "catastrophic".

On the crucial issue—the rights of UK citizens in the EU and of EU citizens in the UK—instead of a bold and generous offer, the Government have obfuscated and blustered. They have cast the lives of millions of people as so many chips in a game of poker. In doing so they have squandered good will towards our country, brought fear and uncertainty to millions of our fellow EU citizens and proven—if any further proof were required—how very little the Government understand about the art of negotiation.

I hope we will take the opportunity in Committee and on Report to ask the elected House to think again on some of these matters, including first, on protecting the rights of British citizens resident in other EU countries and EU citizens resident in the UK. The content of the White Paper on the subject is frankly derisory and an insult to the millions of EU and British citizens left uncertain and afraid by Brexit. Secondly, we need to look at how we can protect our economy by keeping the UK in the single market.

Finally, we need to look at ensuring that at the end of this process, the British public have the final say on the deal that is brought back.

The Bill we have received from the other place does none of that. Its two short clauses, if passed in their present form, will grant the Executive unqualified and untrammelled power to negotiate an exit deal from the European Union on any terms, however pitiful the deal is for our country, however damaging it is to our economy, however much it strips British and other EU citizens of their existing rights and however much it tears up their lives.

At the end of all this, when the Prime Minister returns with a deal—or perhaps no deal at all—Parliament, if the Bill is passed in its present state, will have no more power in the matter than a meaningless vote on a take-it-or-leave-it basis. As for the public, they will have absolutely no say at all. They will have no say, however ruinous the agreement is for them, however damaging it is to their health services, however devastating it is to their jobs and whatever the cost to them in rising prices and deteriorating living standards. They will not even get the choice of "take it or leave it"—they will just be expected to take it.

So much for all the brave talk of the restoration of parliamentary sovereignty. So much for "take back control". This is what has come of it. Those Brexiteers who so insistently proclaimed the importance of parliamentary sovereignty would surrender it to the Executive without a whimper. Those who agitated year in, year out for the voice of the people to be heard are determined that it must now be silenced for ever. For the noble Lord, Lord Forsyth, and his colleagues, the people have spoken—they must never be allowed to speak again.

Unless this House is prepared to act, the Government will proceed unhindered on a course of extreme Brexit, for which they have no mandate and which will cause the maximum damage to relations with our European partners, to the economy of our country and to the livelihoods of every single person in it. Most noble Lords know this to be the case. What remains to be seen is whether we are prepared to act—not to frustrate the will of the elected House but to discharge our constitutional duty to ask them to think again and, in doing so, to mitigate the huge political and economic damage of the course of extreme Brexit the Government seem determined to embark upon.

7.06 pm

Lord Hennessy of Nympsfield (CB): My Lords, there is a line of Nietzsche's that General de Gaulle liked to quote, which is that the state is,

"the coldest of all cold monsters".

How chilling too can be the state's artefacts—even its paper ones. For a remainer such as me, these two little light green pages that capture the Bill before us represent the coldest of cold print. Yet I accept the result of the referendum, and I believe that we need now to crack on with the withdrawal negotiation and that the Government should have its statute triggering Article 50. I welcome the assurance from the Lord Privy Seal that the UK Parliament should have its vote on the departure deal, although I expect it will be an interim one in 2019, ahead of the European Parliament.

At the root of my belief that this is the way to proceed is the deal that underpins a parliamentary democracy: raised voices, yes; raised fists, no. For this deal to work, votes must prevail. The referendum was advisory, but its outcome must be respected. If it is not, and we try to caveat it or claw it back, or ask our people to kindly think again, some of them may think that the deal at the core of our open society is at the least questionable. That way lies peril, in a country already beset by a surfeit of uncertainty and no little antagonism.

Europe causes us to fall out among ourselves, as we have already seen today, like no other question. It will continue to do so, I fear, deep into the mid-to-late 2020s, when the final settlement with the European Union will at last be complete. When it is, we might be able to live, work and flourish in a refreshed geopolitical condition, free-trading enthusiastically—and I hope ever more successfully—with the rest of the world. If we can reach this happy point, our falling out over the triggering of Article 50 in the first weeks of 2017 will safely be but the stuff of PhD theses, and the occasional "Where are they now?" column about the leading personalities of the Brexit story in what few national newspapers remain.

The Bill before us drips with historical significance. It is also couched in a special, emotional geography of its own—always a factor, ever since the European question unloosed its destabilising ingredients on an unsuspecting Westminster and Whitehall, when Jean Monnet arrived from Paris out of the blue, bearing a plan for a European Coal and Steel Community in 1950. The Bill before us is a mere 67 words, but how heavy the historical freight that it bears. It is a key element in what will be the fourth of our country's great geopolitical shifts since 1945. The first was the protracted withdrawal from Empire—from India in 1947 to Rhodesia/Zimbabwe in 1980. The second was joining the European Economic Community in 1973—or "Brentry", as the *Economist* rather neatly described it the other day. The third was the ending of the Cold War between 1989 and 1991.

The parallel with disposing of the territorial Empire is, of course, inexact. It too was an intricate business involving protracted negotiations but the timetable was largely, though not wholly, in the hands of British Ministers, and they were usually dealing with but a few nascent nations at a time rather than 27 existing nations with a two-year clock ticking, which is what our negotiators will face in Brussels from the end of March.

However, there was an intriguing symbolism in the Prime Minister's speech at Lancaster House on 17 January, for she delivered it in the very room where the independence deals with our former colonies had been shaped in the 1950s and 1960s. Her speech contained what I thought was a fascinating passage that I do not think the press picked up. Under the subheading, "A message from Britain to the rest of Europe", the Prime Minister declared:

"Our political traditions are different. Unlike other European countries, we have no written constitution, but the principle of Parliamentary Sovereignty is the basis of our unwritten constitutional settlement ... The public expect to be able to hold their governments to account very directly, and as a result supranational institutions as strong as those created by the European Union sit very uneasily in relation to our political history and way of life".

I am still trying to make up my mind if this passage reflects a regretful Mrs May suggesting that a divorce was always likely on the grounds of deep incompatibility or if it is a reprise of that traditional British air, "Oh, why can't Johnny Foreigner be more like us?". I like to think it is the former.

Our debate today, as we have seen, has an elegiac quality to it. It is not our final farewell to the European Union—that will come with the repealing of the European Communities Act 1972—but it is perhaps a moment to think of those, whether they be parliamentarians, Ministers, civil servants or diplomats, who devoted much of their professional lives to getting us into the European Community in the first place and making our own often very peculiar relationships with it work thereafter, just as other friends of mine have devoted their professional lives to getting us out.

It looks now as if the UK as part of an integrating Europe will, in the long sweep of British history, seem like a 45-year aberration. Still, I salute those who devoted heart, sinew and brain to it for it was a fine, if ultimately doomed, cause. They gave it their all and, in so doing, did the state considerable service.

7.12 pm

Lord King of Bridgwater (Con): My Lords, when I had the honour to move the humble Address to Her Majesty, I said I believed that this House, when it approached the issue of debating the referendum and its outcome, would show the value of the experience that exists within it and the ability to conduct its debates in a respectful and intelligent manner. Although I appreciate that we are only a fraction of the way through, I am extremely encouraged that so far this has been achieved. I am also extremely encouraged by the amazing ability of people to match the time requirement set down by the Captain of the Honourable Corps of the Gentleman-at-Arms. In general the debate has been pretty well conducted, although I have to say my noble friend Lord Forsyth has an individual style of bridge-building with people who do not agree with him that may not always attract their attention.

The noble Lord, Lord Hennessy, who brings huge experience, is a perfect illustration of what this House can contribute. When I heard someone, who I am sure was not a responsible member of the Government, suggest that if this House did not behave itself, that might lead to its abolition, I thought it was a particularly unhelpful and silly remark that should never have been made. I believe this House will show its respect—as has already been shown by the noble Baroness the Leader of the Opposition—in not seeking to frustrate the will of the elected House but giving it the opportunity to think again.

The House will have listened with great interest to the noble and right reverend Lord, Lord Eames, and to the noble Lord, Lord Empey. The issue of Northern Ireland and the challenges it will face is very real, and all of us who have lived with some of those problems will recognise the challenges. I concede that both noble Lords went over their time but that was in a very important cause, although it was greeted with great horror by everyone else.

Today we are all setting out our own positions. I made it clear when I spoke in the humble Address five

the end of the day, both sides in this argument believe in the sovereignty of Parliament, and the Government will have to have the support of Parliament for what they propose. In the end, we all believe in that, which might be the ultimate safeguard if things come seriously

[LORD KING OF BRIDGWATER]

weeks before the referendum that I believed we should remain but that there would be a very substantial Brexit vote, and that we should employ that vote to discuss with our colleagues in Europe the need for substantial reform of the EU. I believe that many other countries in the EU were also recognising that need. I had been brought up on the lesson that the argument for enlargement would be "larger but looser", but I have to say I felt we were not given that opportunity. The EU did not change. I used to represent the Council of Ministers in a European Union of nine, and found that when it had 28 member states it was still trying to run it in the same way. I am afraid that is still its problem, and it is going to be our problem in the negotiations.

We are where we are. I think the result came as a great surprise to most people, including Mr Farage, and no plan was made for how we would deal with that situation. However, the decision has been taken. I accept the outcome of the referendum, and now we must notify of the UK's intention to withdraw. What is now essential is that we get going. We do not know what is going to happen, and at present the only certainty is that uncertainty is usually damaging. Every day now we are going to get different stories. We have one today about the European Union Youth Orchestra moving out. There will be allegations of one sort or another, new developments such as Opel/Vauxhall will come up and all sorts of different problems will arise. The longer that lasts, the more damaging it will be. Sterling has of course been seriously hit and we face the prospect of rising inflation.

Also—I understand the problem that exists here—noble Lords may have noticed that Monsieur Macron is coming to London tomorrow, because you cannot stand for election as the President of France without trying to get the votes of the 300,000 French people who live in London at present. Not only does the uncertainty endanger economic growth and the position of our country, but it makes personal arrangements very difficult indeed.

I strongly support the speeches by my noble friends Lord Hague and Lord Hill. We have a very real challenge in these negotiations, and all should study the powerful speech by the noble Lord, Lord O'Donnell, about the problems that will arise. If the noble Lord, Lord Empey, thought it was difficult in Northern Ireland, try doing it with 27 other countries that each have a vote, with the scale of the challenge that will present.

This issue is important for Europe as well. We know it has major problems, and this uncertainty comes at a time when its member states have a series of elections. Another issue I have raised in this House before is that during the two-year period, four of the smallest countries in the EU will successively have the presidency of the Union, which we will have to deal with. Malta has it now; then it will be Estonia, Romania, Austria and, for what may be a crucial last six months, Bulgaria. That shows some of the challenges we are going to focus

I do not support the idea that we ought to have a later go at it—a further vote. I do not support that in the Bill, and I do not support these amendments. At

7.19 pm

unstuck.

Lord Campbell-Savours (Lab): My Lords, this is not an easy debate for me as, once again, I take a minority view within my party on Europe. I have supported union in Europe since the 1950s, living in Italy, as a student in Paris in the 1960s, and throughout the late 1960s and 1970s in business, while travelling almost monthly all over Europe. In 1974, I voted and canvassed for Common Market entry. Elected an MP in the late 1970s, I occasionally intervened in the Commons on European matters, invariably against a background of mild hostility from some of my Benches. I recall to this day sounds of disapproval from behind me while on my feet in the Chamber. We were a minority in the party, and would remain so until a speech by Jacques Delors in 1989 to the TUC, during which he argued for a European approach to rights at the place of work. His message was a challenge to the Conservative agenda of deregulation and weakened workers' rights. That speech helped change Labour attitudes to Europe and we became pro-EEC.

My first concerns arose in the 1990s, prior to Amsterdam and Nice. Arguments over wider or deeper troubled me, with the prospect of an enlarged Europe with weaker economies out of sync with mainstream Europe seeking to join. The deeper union of fewer states was being opposed by many who wanted an enlarged union to dilute demands for closer integration. By 1999, the eurozone proposed at Maastricht was under way and, although I had been an early euro supporter, I knew that the beneficiary would be Germany which, while originally resisting the euro, now saw the benefits of a fixed currency relationship with neighbouring European states.

A premature euro was born and, with it, the seeds of Europe's problems. The problems worsened when Europe turned a blind eye to manipulation of convergence criteria—even Greece was allowed in on the back of a fraudulent Goldman Sachs prospectus. Enlargement trumped all. Our dreams of European union were being shattered by German self-interest, French intransigence over the CAP, fraud in the Union, financial mismanagement in southern European states, an outdated contribution system, a block on financial services, the nonsense of the Parliament's location and a failure to speak with one voice on migration. All were killing the dream.

The model was wrong. The construct was inflexible. I wanted a new model, but reform from within has proved utterly impossible. Much to the irritation of many friends, I voted Brexit, my justification to my colleagues being that by doing so I would be helping to provoke an argument over Europe's direction of travel to be followed by a crucial, to my mind, second referendum. So where do we go from here? Two issues dominate the debate: the euro and migration. In my view, the euro is unlikely to survive unless we return to a core euro area.

The second issue, migration, is galvanising opinion across the Union, and I am convinced that the UK voted leave because of immigration at home and into the wider Europe. Merited or not, it is provoking instability. I believe that without the issue of immigration, even limited to from within Europe as it is, there would have been a substantial majority remain vote. That was the critical issue. National self-interest is blocking any reform from within, as is Commission obstinacy. No one is listening to the people, and it is our threat of withdrawal under Article 50 which is forcing Europe to open a debate.

When I say threat, I mean threat. I have never believed that we would withdraw, only reopen the debate on Europe. It is now full-on. The debate has been dominated for far too long by extreme movements in Europe. Let the sensible voice of Britain lead the debate on currency, migration, subsidiarity and our place in the world. We should be selling a new vision and a new timetable in the capitals of Europe. Yes, it is high-risk, but the people of Europe want change, and events are going to change everything. During this period of instability, to ease tensions will mean nation states reacquiring the right to control their borders and, in parts of the eurozone, restoration of national currencies. Arguments that single market rules preclude amendments to free movement completely ignore the dark clouds of intolerance that are now sweeping across the continent of Europe.

The eyes of Europe are now on us, and we have it in our grasp to set out a new vision, realising the dreams of those who believe in union. All we need is courage to put a new case. All the benefits of today can be restored tomorrow if we rebuild on firmer ground. A premature Union that is alienating its people needs to be reconfigured. We should lead, and the Bill begins the process.

7.25 pm

Baroness Humphreys (LD): My Lords, although our country has voted, albeit by a comparatively small majority, to sever our links with the EU, many voters continue to voice genuine concerns and questions about the future—concerns which have been echoed eloquently by noble Lords—about the impact on our economy and on voters' living standards; the position of EU nationals working in our communities and paying their taxes to support our services; the position of UK nationals living and working in the EU; and how our departure will impact on Ireland, Northern Ireland, Scotland and Gibraltar.

Many are deeply concerned that our departure will precipitate the break-up of the EU itself and about the potential for new turmoil in a continent which has been ravaged by wars for hundreds of years but which has lived in comparative peace for the past 70. And, yes, they want to know exactly what a hard Brexit will mean, and they need clear answers to their questions and responses to their concerns.

There is certainly now a deeper understanding of the benefits that access to the single market has brought to the UK, and a more acute awareness of the loss that could await us when we depart the EU. The single market is, and has been, of great value to Wales—so much so that the majority of parties in the Welsh Assembly, while respecting the Welsh vote to leave the EU, have called for "full and unfettered" access to it. It is a market vital to our economy: 68% of Welsh exports go to the EU, as compared to just over 40% of the exports of the UK as a whole. Securing replacement markets is likely to be a slow and cumbersome process which could damage our economy—certainly in the short term. Those parties and the Welsh Assembly have also called for a "balanced approach" to immigration which would link migration to jobs and, crucially, they advocate the introduction of properly enforced employment practices that protect all workers.

I live in Conwy county in north Wales. Sitting at the edge of the Snowdonia National Park, it is a county blessed with the most beautiful scenery but, with a GDP per capita of 75% of the EU average, putting it on a par with Estonia and Lithuania, it has qualified for EU structural funds allocated to west Wales and the valleys since 2000. The present tranche of funding, running from 2014 to 2020, sees us benefiting from £1.9 billion of EU investment to support people into work and training, youth employment, research and innovation, renewable energy schemes and energy efficiency projects. In an area suffering rural and urban deprivation, these are essential building blocks in our attempt to grow our local economies. After my country's decision to leave the EU, however, there are no guarantees of funding from the UK Government to continue these projects. If we are to become a low-tax economy, how will any regional policy be funded?

Agriculture plays an absolutely crucial role in the economy, employing 58,000 people directly and outputting around £1.5 billion of produce. Agricultural funding under Pillar 1 of CAP will be upheld until 2020 but the future after that is unclear. Farmers need clarity on future funding and projects, and I would be grateful if that could be given today.

The potential impact of withdrawal from the EU on the Airbus factory in north-east Wales is also concerning. This site is run by a European consortium and assembles wings for civil aircraft—wings which are transported by road and sea to Toulouse for final assembly. It directly employs more than 6,000 people, and many others contribute to the supply chain and, of course, it relies heavily on the ability to move goods and people freely between its sites.

The analogy of the UK's withdrawal from the EU to buying a house has already been made elsewhere, and I make no apologies for using it here. Our country has taken the decision to move home. We have no idea of the cost of our new home; we are to be given no survey and no input into the final decision. We are moving, and we are all expected to accept the choice of home that will be made for us—not by us. In reality though, house buying has checks and balances throughout the process, opportunities to reflect, seek information and evaluate it, and to learn more about where we are going. We engage in decision-making throughout the process and make choices before signing an agreement.

We have to accept that we are a divided country, but a hard Brexit, delivered by a seemingly paternalistic Government, will do little to heal the divisions we all feel. We are told to accept the will of the people and unite behind the Government, but unity cannot be

[BARONESS HUMPHREYS]

forced upon us. Like respect, it has to be nurtured and earned. The first steps to unity can come from the Government accepting that voters have the right to be part of the decision-making process. They have the right to reflect, learn more about their destination, re-evaluate their initial decision and either confirm or change it. On these Benches we believe that the British people must have the right to the final say on the deal negotiated by the Government. That right is fundamental to our beliefs, and it is one of the issues we will be pursuing at the later stages of this Bill.

7.33 pm

Lord Macpherson of Earl's Court (CB): My Lords, I should make it clear that I am not an enthusiast for referendums except in the case of national self-determination, and even those should be avoided where possible. I believe the former Prime Minister made a mistake in calling a referendum but the people have spoken and their elected representatives in the other place have chosen to follow the people's will.

Those who supported the remain cause should not be too downcast. These islands have been seeking to define their relationship with continental Europe for the past 2,000 years. The referendum result represents a turn of the wheel, and the wheel will one day turn again. Leaving the EU raises a multiplicity of questions. The Government's White Paper has done a good job in identifying the main ones. Perhaps inevitably, it has been a little less successful in providing the answers.

Today, I should like to focus on four issues. First, as Macbeth allegedly said:

"If it were done when 'tis done, then 'twere well It were done quickly".

The Government have set themselves a demanding timetable—the more so given impending elections in Germany and France. But there is no point in stringing out the negotiations indefinitely, or opting for never-ending transitions. The British economy will have to change and adapt, and the sooner there is certainty to inform that change, the better. The British economy has shown itself to be sufficiently flexible to adapt to shocks over the last decade, and I am in no doubt that it can adapt to this one, provided the Government pursue sensible economic policies of sound money and free trade.

Secondly, we need to nurture capacity in the Civil Service. Inevitably, Whitehall expertise in the EU and trade negotiations is limited. The Secretary of State recently pointed out that we should not worry as the Civil Service coped well enough in 1940, but that misses the point. Had the Civil Service been better prepared, the pursuit of the war in 1940 would have gone a whole lot better. This is not a time for gifted amateurs who have flitted from one post to another in No. 10, the Cabinet Office or indeed the Treasury. We need to build a team of battle-hardened professional negotiators who understand the world trade order and have the contacts to construct Britain's place in it.

Thirdly, we need to prioritise the issue of Ireland. The White Paper reminds us that the British and Irish Governments managed to deal with the border question quite happily for the 50 years between the creation of the free state and both countries joining the European Union. However, with Britain outside and Ireland still

an enthusiastic member of the EU, goods and people will continue to flow freely from other EU member states into the Republic. I find it difficult to see how goods and people will be able to continue to flow freely thence across the border into Ulster. The White Paper says that the Government,

"will seek to safeguard business interests",

in Ulster, but in the absence of a customs union, I am not sure they can. Of course, I hope the Government succeed in creating a special arrangement for the border in Ireland. If they do, it will help minimise the damage of Scottish independence, which, for all the economic arguments against, is now just a little more likely as a result of the referendum.

Finally, I make a plea for free trade, and for multilateralism over bilateralism. The Gladstonian system of liberal free trade was unilateral. In the late 19th century, this country showed admirable contempt for countries such as Germany, France and the United States, which sought to charge tariffs on imported goods. But in the 1890s, it was the Foreign Office and the Board of Trade, supported by the Prime Minister's hero, Joseph Chamberlain, which sought to undermine the free trade system by advocating bilateral trade deals. I can see this happening again, and I hope the Chancellor and Treasury will stand up to these pressures. Trade should not become an arm of foreign policy, or bureaucratic self-interest.

I have yet to decide whether to support amendments to this Bill. As I said, I am not an enthusiast for a "neverendum", but I worry that leaving all further scrutiny to the great reform Bill will be to leave it too late. I shall listen to the debate, and I hope the House can play a constructive role in enhancing the quality of the final settlement.

7.37 pm

Lord Mackay of Clashfern (Con): My Lords, being number 40 on the list reminds me that I was some 45 years outside the European Union, and I remember well some of the service that was done, as has been mentioned, in bringing us into the European Union and the difficulties involved.

I voted for remain and was fairly enthusiastic about the referendum on the basis that the people were entitled to say whether or not they wished to be in the European Union. We know the answer and, so far as I am concerned, the Government and Parliament are bound to give effect to that answer. Perhaps the most obvious and dramatic indication of that was Mr Cameron's resignation the morning after, when he said that having led the argument to stay, he could not lead the country out of the European Union.

So here we are, and now the question has arisen of whether the Government can initiate negotiations under the royal prerogative. The royal prerogative is well recognised as completely free in the negotiation of treaties and diplomacy generally. It is generally accepted that that is the right way to do it—Ministers should be responsible for that. There is a quotation from the 18th century that was quoted in the judgment in the Miller case. Blackstone, the great exponent of English law, explained the practical reasons for the prerogative managing international relations. He said:

"This is wisely placed in a single hand by the British constitution, for the sake of unanimity, strength and despatch. Were it placed in many hands, it would be subject to many wills: many wills, if disunited and drawing different ways, create weakness in a government; and to unite those several wills, and to reduce them to one, is a work of more time and delay than the exigencies of state will afford".

The only reason that the prerogative was not operated to start the negotiations in connection with the European Union was because of the effect of the European Act in 1972. The fundamental rule is that the prerogative cannot affect individual parliamentary rights and therefore, to the extent necessary to open the negotiations, that authority needed to be given by an Act of Parliament. That is what the Supreme Court decided. It did not decide, and gave no countenance to the idea, that thereafter Parliament should control the negotiations. It is certainly true that ultimately the negotiations, whatever they are, will require examination. There is a distinct possibility that the implementation of what has been negotiated will, in the end, require an Act of Parliament. If that is the case, of course, Parliament will be fully involved. In the meantime, it seems much better that Ministers should have the responsibility to negotiate, because negotiation is primarily the issue here, until a final issue is reached. As I said, the judgment of the Supreme Court supports that very strongly.

Issues have been mentioned in the debate that will certainly occupy Ministers. I should like to believe that Ministers will be looking for the best possible agreement they can achieve in the interests of all the people, young and old, living in the United Kingdom—England, Wales, Scotland and Northern Ireland. I do not want to forget Gibraltar either, where the problems must be quite severe but different, in a way, from Northern Ireland. Those of us who have visited Gibraltar realise how tenuous the system there is and how this may affect it. Ministers have a responsibility to deal with all that and it is best for us to leave it to them to do so without trying to interfere, or put our finger in the pie, until they have finished the negotiations.

Therefore, I am all in favour of Second Reading and of the Bill being confirmed as it is. I hope that will be the outcome from this House, not because I am an unelected person—indeed, I am not the only unelected person in the British constitution. No member of the Government is elected to his or her position. Most of them are, of course, elected to the House of Commons but not to their position in government. I want to vote for the Bill not because I am unelected but because the decision is right.

7.43 pm

Lord Alli (Lab): My Lords, I start by making a confession. I am glad that the Chamber is not full and I hope that noble Lords will keep my confession to themselves. I know that it will not please many noble friends on this side of the House and I know that it will probably please many noble Lords on the opposite side. For that, I can only say sorry to my noble friends and colleagues. Here goes: I like Theresa May. There, I have said it. Let me continue in that same vein of honesty. I equally do not trust Boris Johnson, David Davis or Liam Fox successfully to negotiate a good deal with the EU, or any other nation. There, I said

that, too. I have no confidence that they have the skills, understanding and competence to do such a deal. I know that they have many other attributes, but managing a complex and tough set of negotiations is not among them.

For those of us—and there are many in this House who have run, built or managed big multibillion-pound commercial operations, we know that putting the trainees to run your most important deal is a mistake. That is what it looks like will happen. In this House, there are eight former EU Commissioners, two of whom have already spoken. There are current and past CEOs of some of Britain's biggest companies. There are chairmen, past and present, of many of our most successful businesses. I say to the Prime Minister: this House is not your enemy. This House is a resource and a place to find advice, help and skills that are not available in the other place. Therefore, I hope that the Prime Minister will seek to involve this House more and not less in the negotiations. I hope that a mechanism can be found to include Members of the House in the negotiating process while preserving the confidentiality required to negotiate—perhaps something akin to the intelligence committee in the other place.

It was perhaps not the Government's finest hour being dragged before the courts and forced to bring this Bill before Parliament, so it is only natural that many in the House might worry or be suspicious about reassurances from the Government from the Dispatch Box. I would like to see, as I suspect would many in this House and in the other place, a legal commitment to a vote in both Houses before the Article 50 deal is put before the European Parliament. If Parliament rejects the deal by the Government, I want it to be given a series of options, including sending the Government back to the negotiating table.

I want a strong Britain with a strong economy that serves those who voted for Brexit as well as those who voted against. I want jobs for those without them and an education and a health service that are the envy of the world. I want a Britain that is confident and not weakened by fear of false enemies. That is the challenge of Brexit—a better, stronger Britain—and I expect the Government to deliver on that promise. Millions of people's hopes and fears rest on the actions of the Government in the coming months and years. I genuinely wish the Government well and I will do my part to help by continuing to invest in the UK economy. However, I will also hold the Government to account for the hopes and fears of many. If they cannot deliver better than we have today, they should not be afraid to say so and they should look at the alternative options, no matter how politically unappealing some of those might seem today. We are here, after all, to serve not just political dogma.

Before I sit down, I would like to say a word about the behaviour of the House. Those of us who have been on the Back Benches for a long time do not behave badly and we really do not need to be lectured on our behaviour. The people who behave badly, generally, are front-line politicians, who will be found at the front of the House, not at the back. Back-Benchers in this place have an amazing record of being absolutely brilliant at the things that they bring to the House. If

[LORD ALLI]

noble Lords and Members of the other place would remember that, I think that the debate would go much more easily.

7.49 pm

Baroness Bowles of Berkhamsted (LD): My Lords, the Government are about to take the momentous step of triggering Article 50. I never had any doubt about that happening. There is a White Paper, whose purpose is, as the Secretary of State said,

"to inform all the debates ... in the coming two years".—[Official Report, Commons, 2/2/17; col. 1219.]

For the mother of all negotiations we have 73 pages, much of it occupied by current fact analysis, graphs and explanatory boxes, but with no substantive guidance on how co-operation is envisaged to work. How it could work is not a negotiating tactic; it is the fundamental prospectus and it should not be secret.

As the saying goes, we are where we are. We do not know where we will end up, because, in the words that spring out from the White Paper, our future relationship is entirely,

"a matter for the negotiations".

It says so in paragraph 2.10 on dispute resolution; in 8.31 on our Euratom relationship; in 8.45 on our new customs relationship; in 8.42 on our relationship with European agencies; and in 12.2 for the interim arrangements that we will rely on. The Irish border, financial services, scientific co-operation—the list goes on. Dependent on the results of those negotiations will be the interpretation of the word "possible" in the frequently used expressions of "frictionless and seamless as possible", "freely as possible", "as much as possible", "close as possible" and "as much certainty as possible".

It is worse than no certainty, because the Government have said that they will jump off the cliff into disordered uncertainty as their only alternative. I do not agree that the Government already have an incontestable mandate for that; this may also turn out to be the constitutional position. Nor will there be any certainty through early priorities because we are merely on the brink of swapping the EU's "no negotiation before triggering" mantra for its standard negotiating one of "nothing is agreed until everything is agreed". However, there could be one important certainty if the Government would confirm the acquired rights of EU citizens currently in the UK. Holding off is doing harm to the UK, in the NHS and elsewhere, so as a negotiating card it is bust—it is known and shown to have no value. At least grasp the fig leaf of decency now.

I declare a deep personal interest in Euratom because my late father, Percy Bowles, was arguably the foremost engineer of his time in atomic energy and particle accelerators. For UK purposes, the term "EU" includes Euratom in so far as context requires. Therefore, as it stands, the Bill might enable the Prime Minister to give notice, at the appropriate time, with regard to the Euratom legal entity. The question is when as well as whether that is appropriate. The Library note gives some arguments that it is not clear cut whether Euratom has to be included automatically in the Article 50 trigger. This gives the Government an opportunity and useful alternatives for transition, by not triggering

Article 50 simultaneously with regard to Euratom. In this, it is the EU definitions that matter. Why not look before leaping and at least have some negotiation about the modalities under which there could be continuing membership of Euratom, having regard to the long liability timescales, which include eventual JET decommissioning? Even a short delay for Euratom might be helpful, given that the Dutch, French and German elections and summer holidays play the UK into Michel Barnier's format of early talks being around the formulation of financial provisions. I cannot see why the UK would not keep this chance card when it keeps the useless EU migrants one.

There are amendments that I will support. The Government have made their own difficulties: there is inadequate information on how this is meant to work; the engineering, like a perpetual motion machine, is deeply suspect; and there is the needless closing off of options with their "not a jot or tittle of EU" approach. We did not need to be hog-tied in that way. In the end, you will have to cut some slack because you will be rumbled. Perpetual motion machines always are.

Lord Howell of Guildford (Con): My Lords—

7.55 pm

[LORDS]

Lord Russell of Liverpool (CB): My Lords, I first arrived in this House in 1981, at the tender age of 29—even younger than the noble Baroness, Lady Smith. Unlike the noble and learned Lord, Lord Mackay, I am actually elected—as an accepted hereditary. It is rather like being the Member for Old Sarum, but I am elected. During that time, one has seen and heard a lot; this is the largest turnout I have ever witnessed. Given my number on the speakers list, I have been listening politely. We got up to 10, 20, 30 and 40 and I thought: "This is wonderful, nobody has made the points that I wish to make". Then, suddenly, the noble Lord, Lord Alli, stood up. I have not had the pleasure of meeting him but perhaps we should get together and confer more often, since he clearly reads my mind or, in the early hours of the morning, I have been reading his.

Like the noble and learned Lord, Lord Hope, my reputation as a political soothsayer or voter in referenda suffered a bit of a battering in 2016. I got it wrong about the referendum and the US election, so my credit with people who thought I had some political insight is virtually zero. I last spoke in this House in March last year and that seems like a lifetime ago, but here we are. We have an unanticipated outcome and we appear to have had little or no effective scenario planning of options before the event. Now we have a scramble to get our collective heads around it. This was illuminated for me, rather uncomfortably, by a real conversation I had about two months ago with a friend from the north of England who turned out to be very strongly pro-leave—for this evening's purposes I will call him Nigel. We talked about the reasons for voting to leave for about 10 minutes. At the end of the conversation, we tried to sum it up. I said to Nigel: "I think we are agreeing with each other that the political grandees who were most in favour of our leaving are probably, intellectually and managerially, the least competent to manage our way out of it". He said:

"Yes". I said: "So, basically, those of us who did not want to leave are going to have to manage our way through this". He said: "Yes". I said: "OK: that is where we are, but it does not feel too great". We moved on. For many of us, that is where we are.

By and large, people did not vote on political grounds. Very large numbers of electors who normally support the Conservative Party or the Labour Party chose not to follow their political leaders but to go in their own direction. Some 37.5% of the total electorate voted to leave and 34.6% chose to remain. While the new US President might regard this gulf between the two percentages as "awesome", "historic", "unprecedented" or even "earth shattering", some of us might choose to differ and recognise that it was really quite close. One of my great-grandfathers had the good sense to be a Conservative politician: his name was Stanley Baldwin. If ever he heard somebody speaking about politicians being "in power", he would quietly correct them and say: "You misunderstand the basis of being elected. You are elected into office, as much to represent those who did not vote for you—or at all—as those who did vote for you".

I listened to the passionate arguments and so-called facts and counterfacts being bandied about, and listened with, frankly, visceral distaste to accusations of a lack of patriotism from people who I describe as strangely sore winners. You normally have sore losers but we appear to have sore winners as well. We need cool and measured heads and minds, but we also need political stethoscopes to enable us to listen to our fellow citizens' hearts. Sore winners and sore losers do not make good negotiators, particularly when they disagree with one another rather thoughtlessly.

Finally, I echo what was said by the noble Lord, Lord Alli. Some in your Lordships' House, particularly those who have enjoyed a career in another place and have achieved the dizzy heights of being appointed privy counsellors, seem to have forgotten that the courtesies of this House are different and are greatly valued by most of us. Audibly and theatrically disagreeing with others' views may be meat and drink to the other place but not here.

8 pm

Lord Howell of Guildford: I must apologise to the noble Lord, Lord Russell, for accidentally queue barging. I listened with interest to most of what he said. I did not agree with his last remark, but that is another matter.

Like others, I welcome this mercifully short Bill. I have to confess that after more than 45 years of almost continuous EU debates, Bills, treaties and arguments, it is quite hard to think of anything extremely new and useful to say. Of course, this House can add analysis, insights and advice aplenty, and many noble Lords are supremely well qualified to do that. We have heard some such comments this afternoon and will hear a great deal more in the weeks to come. However, I just cannot see the point at this stage of trying to amend what is essentially a procedure, to use the medical term, and one that must be handled with immense and undistracted care and a minimum of elbow jogging if it is to succeed and get us through to where we want to be.

There are said to be two front-runner amendments in prospect, so the media tell us. One concerns the status of EU residents. That is a very tricky one. I must confess that much as I would like to be on the side of the unilateralists, I am afraid that it looks as though a unilateral approach is not going to work. Some continental countries and leaders are clearly not going to budge except under pressure, and we obviously cannot abandon 1 million British citizens. The other front-runner is about Parliament's say in a final deal. I am not sure that it will come back in this neat packaged way, as everyone currently, particularly those in the other place, seems to think. However, I will return to that in a moment.

The point I wish to make lies with trade and the single market. I confess my difficulty in trying to get into the mindset of those such as Tony Blair, the excellent noble Lord, Lord Mandelson, who spoke so clearly, and our Liberal Democrat friends, and their fears of a hard Brexit. The more I hear about their fears, the more I feel that I am listening to a world view of trade which is completely and utterly obsolete. Services, digital and conventional, are rapidly coming to dominate international exchange. McKinsey says that data and information flows generate more economic value than all global goods trade. Our economy is 80% services, 33% of them in actual digital or digitallyrelated businesses. Slightly under half of current export earnings come from services and this will grow fast. The recent Government White Paper tells us that 37% of the total value of our goods exports are services anyway. This is not just financial services. In fact, all the other services—retail, consultancy, legal services, creative industries, design, fashion, tourism, accountancy and much more—are still much bigger earners than financial services. The reason for this unstoppably powerful trend is that in the last few years we have seen the complete collapse of communication and information costs to almost zero and internationalisation of production, with disruptive, transformative and revolutionary effects on all trade and investment flows.

A massive shift of global GDP shares from the west and the north to the east and the south has taken place, a total reversal of fortunes from the old form of globalisation in the 20th century that went on before 1990, where the north and the west got richer with global trade and the south got poorer. Now it is the other way round, except for the very richest who have done well in both areas. The chief new winners and the new markets are China, India, Brazil, Indonesia, Nigeria, Korea, Australia, Mexico and Turkey. Incidentally, three of those are in the Commonwealth. Of course, services know no boundaries as they are duty free and are not part of a customs union. On the other hand, they are restricted in the EU by numerous national and local rules.

The fact is that in recent years the EU has not been a good place for services expansion. Our UK services exports have grown less to other members within the EU than to outside markets, and outside countries not in the EU have done better in exporting services into the EU than we have since 1993, when the single market came into being. Of the 20 countries with the fastest export growth over the last 10 years,

[LORDS]

[LORD HOWELL OF GUILDFORD]

only three are in the EU. Meanwhile, global value chains wind across all continents, making a nonsense of protected production zones such as the single market, and with components and partly processed products crossing borders multiple times. The obvious conclusion and analysis is that being in or out of the old single market is of decreasing relevance to our interests and prosperity. Skills and sheer innovative power are becoming far more important.

It is a bitter fact that in these novel conditions we have so far been rather a bad exporter, one of the weakest in Europe. We live off a precarious model of massive trade deficits and heavy imports to fill the gap. We cannot go on like this. As noble Lords have observed, we need a new model. As my noble friend Lord Hill said earlier, business cannot operate in a vacuum and will not wait for these deliberations and negotiations. Businesses are making their own deals and arrangements. Quite aside from the complexity of it all, the whole prospect depends on how views crystallise across the channel. The EU is entering a major period of political upheaval. Another euro crisis is just round the corner. The Visegrad Four are going their own way. A divorce has to be agreed by 72% of Council members and a new relationship has to be agreed by 39 parliamentary chambers. How will it ever be finalised at a Brussels level? Will M Barnier ever have the authority to settle it all?

Of course, we must stay very close to our European neighbours on a whole range of security and safety issues. However, a new mental model is required to comprehend the unprecedented trade situation. Tony Blair says that the Government are not masters of the situation. He has not grasped that in these fluid new conditions no Government are in control or in mastery. We are caught up in historic forces—social, technological and therefore political—much bigger than any single Government, as are many other countries, including the United States of America. The old single market is a smaller and smaller part of the scene. Our interests and future prosperity now lie on a wider stage and we must move confidently and unimpeded to the centre of it.

8.08 pm

Lord Anderson of Swansea (Lab): My Lords, it is always a pleasure to follow the much respected noble Lord, Lord Howell, as some 20 years ago I followed him in chairing the Foreign Affairs Committee in the other place.

We live in strange times. This is a very short Bill but with momentous consequences. Consensual habits built over 45 years are to be set aside. Brexiteers argued for restoring national and parliamentary sovereignty. Therefore, it is puzzling that the Government did not wish this debate to take place, and relied instead on the royal prerogative, like some 17th-century monarch. We had the amazing spectacle of the other place approving this Bill with a vast majority when the majority of Members of Parliament believe it not to be in our national interest.

I make three brief points. The first concerns the nature of the decision on 23 June. Much of the post-referendum analysis has focused on the regional differences

between London and Scotland and so on. Perhaps of more interest to us and, indeed, to the Government, if they wish to govern for the country as a whole, is the age difference. Three-quarters of 18 to 24 year-olds voted to remain. The young, whose interests will be most affected, voted strongly to remain; the old, who by definition have a shorter-term interest, voted to leave. Forty-six was the changeover point.

Why was there this age differential? First, of course, there was alienation. However, one explanation is surely nostalgia—a yearning for yesteryear, a reluctance to come to terms with the United Kingdom of today, with its modernity and diversity. To adapt Trump again, it was about "making Britain great again", and "again" was perhaps the operative word in looking back to some time in the past. Perhaps the nostalgia even includes memories of the Commonwealth as it was. Indeed, a group of Conservative Members apparently want a new entry channel at our ports and airports for the Commonwealth, but, oddly, seem to focus only on the old white dominions. They perhaps forget that Commonwealth Governments, perhaps unanimously, favoured remain, and past attempts to revive Commonwealth trade have not been particularly successful. Indeed, any new deals we reach with the Commonwealth could harm some of our key national interests, including agriculture, lamb, beef, and so on. Surely there is now a danger that the Government will desperately try, after Europe, to create alternative alliances; for example, by cosying up to the Trump Administration in the US—a point already made in relation to pollution by the special rapporteur in the UN Commission on Human Rights. There have already been some hints of shifts in foreign policy.

Secondly, on the referendum itself, we were told, "The people must be consulted, they have spoken, and their view should now be respected". Technically, this must be right; although the referendum was only advisory, we have to acknowledge political reality and not act like Mr Tony Benn in 1975, who having worked hard for a referendum, continued to campaign against what was the Common Market, even after a 2:1 vote in favour, not the 52:48. How did the referendum come about? Let us not ignore the weakness of Mr Cameron. He obtained his selection as Conservative leader by vowing to leave the European People's Party group, much against our interests; he promoted the Act to hold a referendum before any transfer of power to Brussels, as if it was some alien, hostile power; and, of course, it was hardly surprising, therefore, that he was not credible when he stood on his head and advised the country to follow his lead.

Thirdly, how do we now respond to the Bill? Do we fold our arms and say, "The people have spoken. Long live the people!"? I make three points. Clearly, we have to concede that the remainers were too gloomy on the effects of a negative vote, at least in the short term. However, the Brexiteers were guilty of patent lies: the additional sums to the National Health Service, the imminent entry of Turkey, and no mention of an exit fee. Yes, we should look with respect, as we have already, at the work of our scrutiny committees, which have been trail-blazers—particularly our EU subcommittees. There are now chances at least to soften the impact of leaving by passing amendments on, for

example, EU citizens here, the Irish border, the environment and workers' rights.

We have to ask: did the referendum give the Government a blank cheque? Are there no constraints on their ambitions on the single market, the customs union, borders and universities? Surely there should at least be a meaningful vote in Parliament at the end of the process, and as the noble Lord, Lord O'Donnell, said clearly, what is now proposed is no concession.

Finally, perhaps we should not rule out the possibility of a second referendum when the final package is clear. David Davis, the Minister, began the debate on 31 January by speaking of,

"a very simple question: do we trust the people or not?".—[Official Report, Commons, 31/1/17; col. 818.]

On 23 June the people voted negatively, to leave. Do we still have that trust? Should they not now be trusted by the Government to give an answer to the positive question: do you approve of the package the Government have negotiated on your behalf?

8.14 pm

Baroness Featherstone (LD): My Lords, it is a pleasure to follow the noble Lord, Lord Anderson, and I could not agree more with him on that last point.

I do not take kindly to threats. There may be many reasons for which this House in its current form should be abolished or reformed, but expressing our views honestly is not one of them. Those in the other place who seek to threaten and bully us should be ashamed of themselves. If we send this back to the Commons with amendments, it is simply to say, "Look at this again"—that is what we do with legislation. At least, that is my understanding after a year in your Lordships' House. This is no different.

We live in uncertain times in an uncertain world, which is even more uncertain today now that the new leader of the free world appears to have no understanding of or respect for his role—or worse. Each day brings another jaw-dropping statement, press briefing, appointment, tweet or executive order, the reality of which is stark and dangerous. I have always been a great fan of America and have always wanted a close relationship with the country that has the most power. I also wanted a close relationship with Europe. I am now concerned about our relationship with the former.

But, to be frank, even if it had been Hillary, in an internationalist world we stand with our friends, be that the EU, NATO, the Commonwealth or the United Nations. None of these groupings is perfect—far from it—and all need to be more effective and dynamic. But the EU was our rock and it is our nearest and dearest. I am broken-hearted that, on a simple majority in a poorly argued and lie-ridden campaign—on both sides—our nation is walking away from peace, security, jobs and economic success. Yes, we will survive—how well is yet to be seen—but do not threaten me or tell me not to fight for what I believe in or not to stay as involved and as close as is humanly possible to Europe post Brexit. On this debate—the power to trigger Article 50—I have but a few comments on key issues.

Without Euratom—I have always pronounced it "Eurahtom": you say "Euratom" and I say "Eurahtom"—the peaceful use of nuclear energy, nuclear safety,

nuclear safeguards, nuclear security and research into nuclear fusion are not certain. As ever, there are two views from the legal profession: one that leaving the EU means we automatically leave Euratom, and the opposing view that leaving the EU does not mean leaving Euratom. It is beyond vital that we remain in Euratom, even if we were outside Europe, for the reasons afore given, one way or the other.

On EU nationals, as has been expressed across your Lordships' House, we should give assurance to the EU unilaterally that their future is secure. This is no way for a decent country to behave. On the single market, we need our heads examined if we leave. I was a Home Office Minister and worked with Theresa May for three years. She is a very sensible and clever woman. I hope beyond hope that hard Brexit is a negotiating position, and that common sense will prevail in the negotiations and that we will retain access to that market. Anything else is beyond mad.

Lastly, I come to perhaps the most important part of the process that this debate kicks off, which is that we should give the British people the final say on the deal when it is dealt. Listening to MP after MP in the Commons debate say how much they disagreed with leaving the EU but that they did not wish to frustrate the will of the people, it was—if noble Lords will forgive me—as if their cojones had gone missing. That is the point. In the Commons they are in a double bind—or perhaps more of a triple bind. They are torn between their conscience, the will of their constituents and the overarching result in the country. That is why this must go back to the people. It will be almost impossible for Parliament to simply vote without the confirmation of the British people. It started with the people and it must end with the people, when they are in a position to make a judgment based on the facts—the deal itself. Parliament can debate and argue, but it is clear that the Commons believes that it must not frustrate the will of the people—though, if noble Lords will excuse my cynicism, I wonder what will happen when the cold wind of Brexit blows public opinion the other way.

Of course, the referendum was clear: as clear as mud. The retrospective clarity that is now given to it was not there at the time and is no substitute for the ultimate truth that will be the deal. That we should make this momentous change and leave the EU on a simple majority—the result of an advisory referendum based on campaigns that had only a tangential relationship to the truth and that was given as the result of appeasement of the right wing of the Conservative Party—is unforgivable.

The final decision must go back to the people; and the people of this country can be trusted, knowing the deal on the table, to make a decision about whether their first view, now informed by reality, remains their view. Of the people, by the people and for the people.

8.20 pm

The Earl of Kinnoull (CB): My Lords, it is a pleasure to follow the noble Baroness, Lady Featherstone, who spoke with her customary conviction and a little bit of entertaining European language. I declare my interests

[The Earl of Kinnoull] as set out in the register of the House and also that I am a member of the EU Select Committee, of which I shall speak further.

I note that the ratio of the number of words likely to be spoken in this Second Reading debate to that contained in the Bill is surely a parliamentary record. I will try not to add unduly to that ratio and confine my remarks to three issues. The first is the Bill itself. On this issue I associate myself wholly with the remarks and reasoning of my noble and learned friend Lord Hope of Craighead, in particular his "keen desire to get on". There has been much eloquence arguing the same today and I would add only the simple observation that one does not drive successfully forward by always looking in the rear view mirror.

The second issue that I want to briefly touch on is that of uncertainty. Any amendment in this process that promotes uncertainty should be rejected as not being in our national interests. Others today have spoken of this but there are at least three areas of uncertainty that we must have regard to, and which worry me. The first is the status of our negotiators at any negotiations. The noble Lords, Lord Hill of Oareford and Lord Empey, were particularly good and thoughtprovoking about that and I wholly agree with them. Our negotiators must be empowered and cannot do a good job if they are not. The second is the truism that uncertainty is the enemy of commerce—which, after all, is the root of our prosperity—the success of which ultimately provides the very services we all hold so dear. The third is uncertainty of all different types, which is so deeply worrying for many of our 65 million fellow inhabitants of these islands. In short, there is a lot of uncertainty about. This Bill must certainly not add to that, and if it is passed in an unamended form, I think it will in fact reduce uncertainty, at least partially.

The third issue concerns the work of the EU Select Committee and, indeed, the other Committees of this House, such as the excellent Constitution Committee, chaired by the noble Lord, Lord Lang. I was with the EU Select Committee recently, both for the two-day visit to Brussels and the three-day visit to Strasbourg. The European Parliament very much feels that it is in the same position as this House—it is the same problem from the other end of the telescope. We discussed the parliamentary role, particularly during our three days in Strasbourg. Those discussions took place on a formal basis with 17 MEPs from 12 countries.

It seemed to me, though it is sometimes difficult to be absolutely clear, that they are going to rely on three things in scrutinising their own process at the other end of the telescope. They will rely, first, on their committee structures, which are a bit weaker than ours; secondly, on undertakings given to them about access to information; and thirdly on a special structure whereby one of their number, Mr Verhofstadt, with staff and other MEPs chosen by him, will have a special level of engagement in the process. It struck me that those three things in the round are not so different from where this House is today. At least those MEPs thought that was a reasonable place to be; and it therefore seems not unreasonable for me to agree with that.

The EU Select Committee and other Committees of this House are serving up quite a barrage of good reports aimed at helping the process, informing discussion and providing scrutiny generally. As other noble Lords have remarked, the EU Select Committee structure includes 73 active Members of this House, and there is the same number again of ex-Members. There are 25 full-time staff, and anyone who has come across them will know what high-quality staff we have. Since 23 June we have presented 10 reports for debate in this House, where everyone can have their say, and there are a further seven in the pipeline. I have some knowledge of those and they, too, are thought-provoking and helpful to the process. I note that the Select Committees are receiving a tremendous level of engagement from Ministers and their staff. I know that from personal experience—in fact, I was speaking to a Minister on Friday, who made me a promise.

The Committees of this House are a scrutiny tool that is seasoned, impartial, flexible and of this House. We should use them to their limits. In the end, that path will be far more effective at enabling the nation to achieve a successful Brexit—not just for our 65 million people but for all 500 million citizens of the EU 28.

8.26 pm

Lord MacGregor of Pulham Market (Con): My Lords, I wish to comment briefly on the point just made by the noble Earl, Lord Kinnoull, about the importance of our Select Committees. Coming from the other House a long time ago, I have been impressed by the work of the Select Committees and the way in which they are impartial in looking at all the issues. I very much regret that they get so little attention in the media, because I think that they merit it and it does not often occur.

The problem with this debate with so many speakers—it must almost be a record—is that all the points one wanted to make have already been made again and again, and the time allowed is such that one must be highly selective on what one concentrates on. I have torn up my original speech and will contribute a few staccato points to indicate broadly where I stand. It is difficult to say anything new.

I compliment the Government and our Ministers on the Front Bench for the way in which they have ensured that this House is being fully involved in the consultations and the whole process. Our Constitution Committee, on which I serve and which has been so admirably chaired by my noble friend Lord Lang, raised early on the need to consult Parliament throughout. I was astonished that the judges took such flak from the media over their judgment on the need to consult Parliament in relation to Article 50, which we are now debating, and the need for legislation for parliamentary authorities to embark on Article 50. They were simply reinforcing the primacy of Parliament. Our Front Bench is to be congratulated on the positive way in which they are taking forward the consultation process.

I voted remain, not least because early in my political career, a long time ago at university, as a young lad from a coal-mining community in Scotland I got involved in the wider debates on the EU and became committed to the belief that we should join the then

Common Market, and I have remained with that view and that position. However, I had many negotiations with the EU in various ministerial roles and I became rather embittered by things that I did not want the EU to be doing. For example, so little attention was paid to subsidiarity in so many of our discussions and yet it is very important. I became somewhat less enthusiastic, but I voted remain and still hold that view. However, I will be voting yes to this Bill for all the reasons outlined by my noble friend Lord Hague.

I suspect I am in a minority when I say that we should not regard the referendum vote as necessarily final. That is what I originally thought but, having listened to the debate and the recent speakers, I am in the same camp as they are. We need to remember that the vote was close, that it was different in different parts of the country, as the right reverend Prelate emphasised in his comments, and that it was different between age groups, as the noble Baroness, Lady Smith of Newnham, demonstrated. It was different and it was close.

When I was talking to voters about the referendum, many of them did not know what to believe given the different figures and other issues that were being bandied about. They were voting not about the EU referendum but about issues they were unhappy about generally and wanted to make a protest vote. As I say, this is probably a minority view, but I do not believe that the referendum vote should be decided as final. The real issue is what the reaction is to the outcome of the negotiations, and that is where the final judgment and vote should take place.

I have read the debates in the other place and I am still somewhat confused about the timing and process as to the relationships between the votes in our Parliament and in the European Parliament. When my noble friend winds up, will he clarify what the timing and powers of the European Parliament are in this process in relation to ours?

Much has been made about the benefits of the wider trade negotiations with other major economies and the blocs which will be more open to us on withdrawal from the EU. However, as I understand it, these WTO negotiations have normally taken many years and the benefits could be slow in coming, with some of the disbenefits coming rather faster. I would be interested in the Minister's comments on how that process of wider negotiations with the other major economic blocs will progress.

I strongly support the points made by the noble Lord, Lord Patel, on the possible consequences for universities and scientific establishments of withdrawal in relation to funding and, possibly even more important, the ability to recruit and retain foreign nationals. I have had many representations on this point, not least from agricultural centres such as the John Innes Centre in Norwich, which has a high international reputation in agricultural and biological research. It is concerned about whether it will be able to attract people in the future.

Allied to that is the position of other EU citizens working and living in this country and of our own national citizens in the same situation in EU countries. This is not only a source of worry to them; it is a worry to businesses as well. The lack of clarity is

already having practical effects, as I gather that there is evidence now emerging that Polish workers and others are going back to their countries because of the fear that they will not be able to remain here. I know that the Prime Minister has this issue on board and understandably stresses the need for agreement on reciprocity. However, there is mutual interest between ourselves and the rest of the EU because there is at least as much concern on this issue among their citizens. Is there any possibility of a fast-track process to resolve this at an early stage and remove such misery and uncertainty for so many people?

Finally, I referred in the earlier debate to how long I believe this process is going to take. I was very impressed by the speech of the noble Lord, Lord O'Donnell, on this subject today, with his practical understanding of the realities of the situation. It is clear there are many in this House whose experiences are worth tapping into and benefiting from. Today is a very good example of that.

8.33 pm

Baroness Armstrong of Hill Top (Lab): My Lords, it is a pleasure to follow the noble Lord. I came into the other place when he was a Minister in the Government and I was able to listen to him with great interest and great learning then.

I am now privileged to be a member of the EU Select Committee and I am learning a lot there too. I do not intend in this short speech to dwell on the knotty issues that the committee is dealing with. I want to talk much more about the context within which our deliberations in Committee and here in the Chamber are taking place. I leave every meeting of the committee and the sub-committee thinking, "This is much more complex than any of us ever thought it would be". There is no issue where you do not realise, as you listen to the different views and witnesses, that this is very difficult.

And therein lies the problem. We are living in a world where complexity scares people. We do not need experts, we were famously told. That suggests we do not need knowledge—let us keep things simple, in short sentences that can become slogans. Populism is becoming the driver of politics around the world, but some of us know—from our history books if nothing else, but also from the experiences of members of our families—that populism thrives on driving divisions and on the polarisation of people and countries.

Populism does not like diversity; it rejects it. This concern or fear, which has arisen because of globalisation and what it brings and from seeing that the world is so complex, has driven fear of migration. I was born in Sunderland and I am proud of that, but it is monocultural. We do not have that many migrants in the north-east, but people believe what they read about migrants and they are frightened. Yet for me one of the great strengths of our country is its diversity. We are not all the same. Diversity is one of the things that makes, for example, our soft power—the modern, indispensable tool of foreign policy—so effective.

The truth is that this country has been divided by the referendum. The Prime Minister has decided that migration is the most important aspect to address. I

[Baroness Armstrong of Hill Top] wish she had put forward her ideas about migration at the beginning. Had she put forward proposals about, for example, work permits for people from the European Union and about having to contribute when you come to this country in order to be entitled to benefits, then she would not have had to announce that we have to leave the European single market and so on. She would have been able to negotiate very good deals. Many other European countries are looking at that

sort of way to tackle migration.

However, as people keep saying, we are where we are. The painful divisions mean that, quiet honestly, the debate has become unacceptable. If we talk about the essence of politics, which involves compromise, we are derided. Judges who do their job interpreting the law are derided as enemies of the people. Those who disagree with the decisions and direction taken by the Government are cast aside as "bemoaners", not concerned with implementing the will of the people. When we point out that the degree of sovereignty will not be absolute, and that even no agreement and going to WTO rules will involve some loss of sovereignty, we are seen as not prepared to accept the will of the people. I believe we have to change the tone of the political debate. That will be good, not only for us as a country and a society, but for the future negotiations with the EU.

The point of Parliament is to solve disagreements through debate, and that will include dissent. Parliament does not give in, and should not give in, to intimidation. This Bill, which was grudgingly brought forward by the Government, is essentially about the right of Parliament to be involved and, hopefully, to have some control over the process of leaving the European Union. It would be very odd if we were to be bullied out of that right. We know that bullying has to be confronted. Certainly we women know that. Threats will not intimidate me or this place.

Today and next week, Parliament can take back control of leaving the EU. I hope we will do it in a way that demonstrates that we recognise and celebrate the diversity of views and of people in this country and that, rather than seek more division and polarisation, we do what we can to bring people and the country together.

8.40 pm

Lord Mawson (CB): My Lords, I voted to join the European Economic Community in 1975 when I was young, optimistic and had little idea what the longer-term implications were, and what this would mean in practice for the British people. Over the last 42 years I have spent many happy hours under this machinery, at the bottom of the telescope looking upwards, trying to make this labyrinthine and ever-growing institution work in practice in some of the most challenging communities in this country. My colleagues and I have had our fingers burnt on many occasions. In practice, the bureaucracy was horrendous and it always paid its invoices late, often 12 months late.

Over the last 10 years I have been privileged to spend quality time sitting on a number of EU Select Committees in your Lordships' House, now looking down the telescope, trying to discover more about which levers are connected to what and how in practice partnership working is happening across the 28 countries that make up this institution. If I am honest, the experience has not filled me with confidence. My sense has been at its simplest that there are lots of us sitting above all this machinery reading lots of papers at what feels like 60,000 feet, unsure who is watching all the complex linkages and levers that make all this government work.

The real acid test for the general public of this outdated machinery is: can it deliver for the peoples of Europe in practice when it really counts? Over the last few years this public have watched children drowning in the Mediterranean and witnessed an organisation that seems to have little if no control of its borders. This institution has not filled people with confidence—lots of meetings, lots of politicians slapping each other on the back and billions of euros spent, but can it all deliver when it really counts?

It has been my position in recent years, given the scale and reach of this European project, that the British people should be able to visit again the question of our place within the European Union, fundamentally because I worried that there was a democratic legitimacy problem. If people could not understand and grasp its inner workings and had little control over it, it was right that they should have a say as to whether they should travel further down this road. On this occasion I did not vote. I wanted to hear the British public's response. I understood that when the British people had decided upon this question, one way or the other, my responsibility as a Member of this House would be to work with others to ensure that this decision was enacted and carried out to the best of our abilityquestion, yes, but not undermine an imperfect but legitimate democratic process.

Now that the British people have decided, it is not our job, however disappointed some of us may be with the result, to play clever political games with what is now the clear wish of the British people to leave. The decision has been made and our job is to pass this legislation and allow the Prime Minister and her team to initiate the negotiation with our colleagues in the European Union. I fear that those who play games at this time undermine the very democracy we live in and people's confidence in it. Amid all the noise, I have been impressed by the Prime Minister's calm and considered approach and sense of purpose. It is time—not unquestioningly—to get behind her and pass this legislation for the sake of the peoples of this country.

The world is changing and increasingly fast moving. The internet is the defining principle of our age. The future will be defined for our children by entrepreneurs and innovators in this new century. In this new environment there are real questions as to whether the Government and the public sector machinery and institutions that we have are fit for purpose, given the global challenges we face. The European project could have renewed this out-of-date infrastructure; I fear that many of our people know from personal experience that instead it is drowning them in treacle and they do not like it.

Big, impersonal institutions—be they in business or the state—are an anathema to this age. People have a deep experience of red tape every time they pick up the phone. In trying to take out a mortgage, for example, they see and experience what is happening in our financial services. They do not know whether the EU, the large, unwieldy banks, or whomever is to blame, but it feels as if no one is in control of the beast any more. They do not like it.

Today, our children are a nation not of shopkeepers but of entrepreneurs. We in this House have experience from the wrong century, and we feel it. If we are honest with ourselves, how deep is our grasp of what is actually going on in the EU machinery that is operating below us? How many of our politicians down the corridor have ever even thought about this? During the referendum campaign, leading up to the vote last June, I suspect that the British people watched and listened to the many wild claims which turned out not to be true from politicians on all sides of our political spectrum. They instinctively worried that this machinery had a life of its own and that no one was in charge of it.

I am an entrepreneur who has spent a great deal of his life trying to take problems and turn them into opportunities. I am optimistic because the present time is laden with new possibilities. Many of the people I work with out in the real world see this. People are beginning to turn their sails into this new wind. We need to get behind them. There are challenges, yes, but there are also new opportunities. This new time requires a very different mindset from us all. Some of our largest institutions with the most to lose will inevitably find this most difficult because so many of their vested interests are tied up in an old order that is now passing away.

One of the opportunities now facing us is to spend far more time and effort using this new digital age to reinvent how our public sector works. The modern world of the internet is about integrated working. Our government silos and processes are profoundly out of date yet we carry on as though nothing is changing around us.

As the noble Lord, Lord Howell, recently suggested in the *House Magazine*, the great repeal Bill offers us a rare opportunity to transform our bureaucracy and regulatory culture. Let us not miss this opportunity. Our economy depends upon it.

8.47 pm

Baroness Wheatcroft (Con): My Lords, I want to live in a country that is welcoming, inclusive, tolerant and creative—and, therefore, happy and prosperous. I fear that Britain is heading in a different direction. The referendum seems to have unleashed a wave of anger and intolerance which is truly frightening and dangerous for this country.

I have canvassed in many elections over the years. One of the most cheering aspects of doing so has been the response—even from those who say they would not dream of voting for my party in a million years. People have been pleasant and polite. However, when I campaigned for a remain vote, I was stunned by the irrational hostility I met. When I dared to voice my

concerns over the outcome of the referendum, my postbag—both virtual and real—was awful. It was astonishing that people actually put stamps on those diatribes. There were plaintive messages from UK citizens living in Europe who now feel completely abandoned, but there were many more, branding me "slut", "whore", "harlot", "scum" and much, much worse. Encouraged, no doubt, by various, more vicious parts of the media, those correspondents declared that I and others who shared my views were simply out to defy the will of the people.

It is debatable whether what my right honourable friend Kenneth Clarke referred to as "an opinion poll" is a sensible way to determine the will of the people. I should like to pay tribute to the one Tory MP who had the courage to defy the will of the Whips and follow his conscience.

Whatever way the public voted in the referendum, I believe it is not only the right but the responsibility of those of us who believe that leaving Europe will be bad for the country to say so and not be intimidated by the bullies. Sacrifice freedom of speech and society loses far more than just a debate about Brexit. For those of us in this House who believe that the country is taking a dangerous path without even knowing whether we can turn back, speaking out is not only a right and a responsibility but, surely, it is our duty. That position can feel a little lonely over here, but I do not believe we are appointed to this House merely to troop obediently through the Lobbies.

I believe that it would be damaging to this country, both economically and socially, to leave the EU. Jobs will be lost, particularly in the finance sector, which contributes so heavily to the Exchequer. In fact, the exit is already beginning. Manufacturing will move. Yes, we are hearing about investments now, but for every investment that is being trumpeted many others are being put on hold or have even been abandoned already. Talent will migrate. Top scientists and academics are already voicing concerns about joining organisations in the UK. Perhaps they see themselves as citizens of the world, a concept despised by the Prime Minister but not by those who prefer a global vision to narrow nationalism. Would it be so surprising if the UK's now perceived hostility to foreigners led these people to conclude that they might be more at home elsewhere? The stock market may look reassuring now, but that is no guide to how investors rate the prospects for UK plc. I fear that, a year from now, the economy will be looking distinctly less healthy.

I acknowledge that in June last year there was a majority vote advising the Government to leave the EU. Hence it is only right that we begin that process by triggering Article 50, but only if we do so with due caution. Whatever the various motivations people had for casting their ballot, I believe that my right honourable friend the Chancellor of the Exchequer was absolutely right when he said that they did not vote to become poorer. So it is crucial that there should be a vote on the terms.

Instead, the Government seem to be adopting a "University Challenge" type approach: "I've started, so I'll finish". However, while that might work for a quiz show, it is not the way to deal with the future of this country. The terms of our suggested departure

[BARONESS WHEATCROFT]

from the EU must be put to Parliament in a meaningful vote. Where is the sovereignty of Parliament if that is denied? There must also be a referendum to determine whether it is the will of the people to leave on those terms. Why would any dedicated Brexiteer object to that, unless they feared that the terms would be unacceptable to a majority? Without this protection, I cannot support the Bill.

The right honourable Margaret Beckett was able to say that she believed that the potential consequences of the Bill are "catastrophic", but that she would vote for it. I cannot do that. How on earth could I explain, let alone justify, such behaviour to a granddaughter whom I truly believe will be better off if Britain stays in the EU?

8.54 pm

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Baroness Crawley (Lab): My Lords, it is a pleasure to follow the noble Baroness, Lady Wheatcroft, with whom I agree on many points. Making speeches is what we do, but this is certainly one speech I never wanted to have to make; not because I am still angry and upset that we have decided to leave the EU; not because I am a bad loser, as my leave friends might suggest; and not because I believe that leaving is the biggest mistake we have made as a country in modern times; but because we have prioritised issues of immigration—some valid, others definitely not—over the future strength of our economy; and because of the profoundly damaging effect that this decision will have on millions of vulnerable people in this country, possibly for decades to come.

Some 45 years of our country standing shoulder to shoulder with Europe, through good and bad times, have meant that our trade, our jobs, our aspirations for a cleaner world, our research and scientific activities, our rights at work, including our maternity rights, our safer goods and consumer protection, and our sense of security have become enmeshed with those of our fellow Europeans. In those 45 years, the UK has become immeasurably better off. That is why we joined Europe in the first place and, incidentally, why Mrs Thatcher was so keen to be godmother to the single market once we were in. Yet we are about to see those years of co-operation unravel as we go forward with the great divorce—what a great shame as we set out to unravel more than 7,000 pieces of legislation, statutory instruments, agency contracts and countless other decisions.

So we come to the decision of the Supreme Court of 24 January. The wording of the court's judgment is quite stark and weighty. I will quote—briefly, your Lordships will be glad to know—what the court said:

"The 2016 referendum is of great political significance. However, its legal significance is determined by what Parliament included in the statute authorising it, and that statute simply provided for the referendum to be held without specifying the consequences. The change in the law required to implement the referendum's outcome must be made in the only way permitted by the UK constitution, namely by legislation".

Now we have the Supreme Court's judgment, it is interesting to reflect that it would have been entirely possible for a majority of the electorate to have voted

remain and for the Government subsequently to have brought forward legislation, as they are doing now, to trigger an Article 50 exit. Lewis Carroll himself could not have invented a better referendum: none will have prizes.

Everyone participating in this legislative exercise of the Bill's Second Reading—and now that the Government have published the White Paper, which is not so much a starting pistol as a cry for help—must act according to his or her conscience as he or she answers this question: which course of action is best for our country in the light of the referendum result? For as they say in "Game of Thrones", winter is coming. Inadvertently revealing her frayed nerves, the very first line of the Prime Minister's introduction to the White Paper reads:

"We do not approach these negotiations expecting failure".

The truth is, as noble Lords have said tonight, that nobody, including the Prime Minister, knows what to expect because the practical impacts of Brexit cannot be controlled by the UK alone. In addition, Brexit is now a joint venture between the Government and Parliament. Even with luck on our side, the mess can only get messier.

How did it come to pass that the Government, in trying to build a negotiating position, refused to affirm outright that, whatever happens, those EU nationals living here will have an automatic and inviolable right to stay? In effect, the Government are holding them hostage. In all humanity, it should have been our clear national position on the day after the referendum that there would be no question of altering the status of French, Polish, Spanish and other people living here. They are not bargaining chips. But Brexit-think loosens common sense and, I am afraid, sometimes common decency.

The Brexit Minister has listed the 12 pillars of our national position in the forthcoming negotiations—the 12 pillars of Hercules. I will try to sum one of them up: "Let's leave the Common Market but then see if we can reinvent it under another name". We are effectively saying to our European partners, "It'll be OK if we leave one day and then come back the next wearing a new hat".

Some people got euphoric about the resounding Article 50 vote in the House of Commons. Kenneth Wolstenholme used to say "They think it's all over". In fact, it has hardly begun and this match will be played over many years, in many stadiums, through many different competitions and with many changing team sheets and shifts in tactics. To those outside this House who say that the House of Lords has no right to amend the Bill, I say: "Stop threatening us and let us get on with our constitutional duty, the one we all try to carry out every day—to act and speak and vote responsibly, according to our consciences and in the best interests of the United Kingdom". That is what we will do, my Lords.

9 pm

Lord Shipley (LD): My Lords, I follow two speakers, the noble Baronesses, Lady Wheatcroft and Lady Crawley, who have explained extremely effectively the problems that Brexit will bring.

Our country voted by 52% to 48% to leave the European Union and in one sense, that is a clear result. However, of the 52% who voted to leave, a number did so in the expectation that we would revert to a Norway-style arrangement, or something similar to it, which would continue to give access to the single market. Indeed, the Conservative Party encouraged that view. In its general election manifesto in 2015, it said that there should be "an in-out referendum" and promised to honour the result. It also said that a Conservative Government would,

"safeguard British interests in the Single Market".

The manifesto suggested that we could stay in it with the words:

"We say: yes to the Single Market".

So why do the Government now interpret the result as a vote for a hard Brexit in which we leave the single market and the customs union, with all the dangers that will inevitably lead to? I submit that there is no majority in our country for a hard Brexit. The referendum result was a decision to leave the EU, but it was not a decision on exactly what should happen next.

In opening this Second Reading debate the Leader of the House said that,

"a good deal will be one that works for all parts of",

the United Kingdom. I agree with that aim, but I wonder how this will be done when the Prime Minister has put issues of immigration and justice ahead of protecting our economy and jobs, which need access to the single market and the customs union to maximise both our exports and our inward investment.

My name is attached to an amendment tabled for Committee in the name of the noble Baroness, Lady Quin, that asks for an assessment to be undertaken of the impact of Brexit on the economy of the north-east of England before Article 50 is triggered. The same principle could of course apply to all parts of the UK because it is vital that the Government understand that different parts of the UK are not the same in their dependency on the EU for manufacturing exports and jobs. The north-east of England needs access to overseas markets for its products: 58% of the north-east's exports go to the European Union. Leaving the single market and the customs union will put that huge success at risk. What do the Government plan to do to secure continued private sector inward investment in the northeast of England, and across the whole of the UK, once we have left and given up the free trade agreement we already have with the other 27 countries of the European Union?

Just one generation ago, some 6 million people worked in manufacturing in this country. There are under half that number today, with many people forced instead to work in low-productivity jobs with low pay and insecure terms and conditions of service. How will Brexit help the poorer parts of the UK to improve productivity and drive growth when investment in higher value jobs will be put at risk? I have come to the conclusion that the Government are not in control of events. They seem to think their role now is just to administer a hard Brexit when most people in this country want them to show leadership by negotiating a soft Brexit.

Probably the most vacuous political slogan I have heard in recent times is that "Brexit means Brexit". If that means we have to fall back on World Trade Organization rules, it is very bad news for regions with manufacturing exports that benefit from zero tariffs to the EU. The Prime Minister is on record as wanting a frictionless system of exporting. That is not what the Government are actually doing as they remove us from the single market and the customs union. Huge friction will result from our departure from the European Union.

For all these reasons, I have concluded that a final decision on whether to accept the terms negotiated for exiting the EU in two years' time must be taken by the people, in full knowledge of all the implications, on the advice of Parliament. That is not about reopening the result of the referendum last year but about asking people to confirm that the actual terms of Brexit are satisfactory to them.

Voters gave the Government a sense of direction last year by voting to leave the EU, but they did not say what they wanted the Government to negotiate in its place—so they should have the right to confirm, or not to confirm, what the Government achieve from their forthcoming negotiation. The EU is not a perfect institution, as the noble Lord, Lord Howarth of Newport, reminded us, not least in its democratic accountability; it needs major reform. But the problems of today's world require international solutions. The European Union is a very successful example of close international working and it will not be in our best interests to turn aside from all the advantages that membership has given us. We do not want to promote narrow nationalisms.

9.07 pm

Lord Hannay of Chiswick (CB): My Lords, the Bill we are debating tonight is short but certainly not sweet—at least for a person like myself who voted last June to remain in the European Union. In her Lancaster House speech, the Prime Minister exhorted us to believe that leaving the European Union leads towards a brighter future for our children and our grandchildren. I am sorry to disappoint the Prime Minister, but neither I, nor my children, nor my grandchildren believe that. It remains my view that we will be less prosperous, less secure and less influential in the world than we would have been had we decided to stay in the EU. But that was not the view taken by the majority of those who voted, and I accept, as I have since 24 June, that it would not be proper or correct for this House to frustrate the triggering of Article 50. I only wish that the ardent supporters of Brexit, some of them in this House, would cease denigrating and trying to suppress the views of those who think as I do. That surely is as undemocratic an approach as you can get.

While the Lancaster House speech and the White Paper which followed it have lifted a small part of the veil in which the Government have shrouded their policy since the referendum, we have not yet seen more than a glimpse of its ankle, and we have not been given a single metric or impact assessment on the choices the Government have already made and are preparing to make more of. Not a figure has emerged setting out the various options and costing them as those published

[LORD HANNAY OF CHISWICK]

last March, from which the new Government have resiled, are no longer valid. There has been no word about the shape of the new immigration regime, the altar on which our membership of the single market is to be sacrificed, and no hint of how the Government propose to sustain the common travel area with Ireland and to avoid the reimposition of border controls on goods moving between Northern Ireland and the Republic. The Government assure us that they have been conducting detailed studies of all these matters, and on every part of the economy, but they have not shown us the results of any of those studies—perhaps the results are just too alarming to be shown. We are really being asked to buy a pig in a poke.

What can one say about the choices the Government have made already? It was surely unwise to make a pre-emptive decision to leave the single market before we had any idea of what alternatives might be negotiable. Issues relating to freedom of movement are under great stress at the moment within the European Union. Might it not have been better to see how much flexibility could be available in 18 months' time, rather than to decide now that we were not going to even look for that flexibility? As for the customs union, if our partners can understand what the Government said in the White Paper, they are better at reading runes than I am.

It is helpful that the Government have now begun to face up to the fact that we need a dispute settlement procedure as part of our new partnership—although they have not, I have to say, got very far. It is truly staggering that a Government who accept the compulsory jurisdiction of the International Court of Justice, of the International Criminal Court, of the European Court of Human Rights, of the dispute settlement procedures of the World Trade Organization and of the Law of the Sea should have conceived such a horror of the European Court of Justice, despite the fact that the court has often in the last 44 years handed down judgments of great benefit to this country, such as striking down restrictive practices and dealing with illegal state aid and non-tariff barriers to trade. Of course it has made judgments during that time which we did not like—but so, of course, does our own Supreme Court, as the Government have discovered quite recently.

Faced with this paucity of information and this degree of obfuscation, what can and should we do when we look at the Bill in detail? The most important thing is to ensure that, when a deal is struck, or when it is clear that one cannot be struck, both Houses are seized of the outcome in a timely manner, enabling them to make decisions and to avoid that cliff edge which the Prime Minister, quite rightly, wishes to avoid. Some assurances have been given to this effect in the other place, but they are fairly vague and are no doubt capable of any amount of subsequent misleading description and use. Provisions on this point clearly need to go into the Bill—and, since the Government have conceded the principle, it should not be too difficult to do that.

I have one concluding thought. The UK needs to concentrate on the positive aspects of its vision for a new partnership to establish that prospect of mutual benefit without which any hope of a positive outcome

for negotiations will simply not materialise. The Government have begun to do this on foreign policy and European security, on scientific co-operation and on law enforcement and internal security—but so far in far too tentative and hesitant a way. We need to face outwards, towards our past and future partners, not backwards towards those who reject everything about the European Union. Our face needs to be a smiling and not a snarling one—particularly to the 3 million citizens from other European countries who live and work here.

9.14 pm

Lord Sterling of Plaistow (Con): My Lords, this is not the first time that we have considered this subject, and it is worth remembering that the last time, it was Prime Minister Wilson who decided to hold a referendum, for very similar reasons to those David Cameron had. On behalf of my own firm, I was very keen on joining what is now the European Union in 1975. Exactly like colleagues in this House who are entrepreneurs, I thought it was a great trading area and a great opportunity. I saw a great many of the votes because it took place at Earls Court Olympia, which happened to be part of my company at that time.

I have spent a lot of time in Brussels. I started to go there in 1975—I have been many times since, and, along with many other people here, I have negotiated there. The advantage of a House like this, with its experience, wisdom and knowledge, is that many of us have friends in Brussels in music, art and education, and we share enormous friendship between us. However, what we are discussing today is Brexit. I do not know about anyone else—the noble Lord, Lord Hennessy, is much better at this than I am—but as far as I am concerned we are taking a view for the next 200 years. We are not taking a view of what is happening in one month's or two months' time. If we go back historically, for over 350 years we played the part of power broker between France and Germany.

Someone mentioned foreign policy after World War I. We have not had a foreign policy since almost after World War II. We know what happened at that time, and then what did we do? We won the war with allies but we lost the peace. We also had the terrible situation of having to live with losing an empire at the same time. People forget with the Common Market that between 1960 and 1970 we were in a dreadful mess economically; the great days were over. Those who think that somehow or other it has been sweet running right the way through should look back on the history of that period. I am afraid we reckoned we were a bunch of losers and we would somehow or other be much better off if we got together with Europe. It is only of late, as recently as three Parliaments ago, that a Queen's Speech said in effect that we must re-engage with the world, which is really the role that we have been playing.

As I say, I have spent a great deal of time in the EU. So have many noble Lords, but I have spent most of my life as a businessman, negotiating right the way through. Looking practically at these negotiations, the role that the Government are playing is quite right. We must remember that the Prime Minister made the comment that we want to finish off by dealing with

partners. I hate the word "deal". You negotiate with partners and friends; you do not do deals with them because you want more ongoing business with them in the years to come. Therefore a clean break—pulling right out of the internal market, which is not a single market—gives one a much better position from which to negotiate for the future.

People always talk about "European citizens". They do not exist. There is no such thing as a European citizen; there are citizens of nation states. You are a citizen of one of 28 states, not a citizen of Europe. That is often forgotten. Ultimately, the only thing I have ever believed in looking back historically is that if you do not have economic strength, you have no strength anywhere. The collapse of the USSR demonstrated that in spades.

I came out publicly during the referendum because Michael Gove and Boris Johnson said to me, "Plenty of politicians are speaking but no industrialists. Will you come out publicly and say why you are going to be doing what you're doing?" I truly believe that we have a great opportunity with the rest of the world. My own company, which has been around for nearly 200 years, has been operating in the Far East since about 1840. There is no novelty in doing business out there.

When I told friends that I was going to vote for Brexit, I was almost ostracised. People had a real go at me at dinner parties, saying, "What the hell are you doing?", so I told them how I felt about it. But what is very interesting is that now that time has gone by, friends in the City, in business and in major companies, one after the other, are saying, "I think we can handle this. I think there are ways in which we can change it". I happen to know that in some ways, in areas such as the container trade, transport and tourism, it is going to be even better for us. We will increasingly see an attitude of, "Let's get on with it. We're doing it for the very long run". I make the observation that I think it is the right thing to show our friends in Europe—I use the word "friends"—that we really mean change, and we are going to do it.

Let me read something to noble Lords:

"The EU's founders grew up through depression, war and occupation".

On that, I have the advantage of my age. I was born in the depression and I certainly grew up in a time of war, but we were not occupied. If we had been, I would have been dust.

"Their successors, who did not, must now think afresh about the continent and its needs. The past holds an important lesson: integration prospered when growth and employment mattered more than unfettered capital movements and when fiscal policy counted for more than monetary policy. Today's leaders will also need to discover something of the farsightedness of earlier generations. Like them, they will need to show that the union can help nations, not hurt them, and that capitalism and democracy can be reconciled. This time they have to do it in a globalising world and in a union with five times more members than the original group. It will take a real effort of historical imagination and reinvention. But without it, the EU is living on borrowed time".

That was written by Professor Mazower, who is a professor of history at Columbia University in the United States.

In the long term, we will be able to live happily with Europe—and defend it, as we did in 1940 and onwards;

defence is a huge factor. I would like to feel that it will be able to reinvent itself and we will all get on together in the centuries to come, not next month.

9.21 pm

Lord Lea of Crondall (Lab): My Lords, I follow the themes picked up by my noble friends Lord Hain, Lord Whitty and Lady Crawley. They have all drawn attention to the fallacy whereby the Prime Minister seems to believe—we have to assume she believes it—that there is no alternative to where she is heading and, in particular, that this includes leaving the internal market.

Many political leaders over the years have used the phrase, "There is no alternative", but in this case it is a tautology. Of course there is no alternative for Mrs May to the package that she brings back to Westminster. There is something tautological about the way this whole argument is going.

I ask the Minister, who is expert in all these matters and in pulling rabbits out of a hat: have the Government really not done a cost-benefit analysis in turn on each of the models of trade—tariffs and so on? That has been done by the EU Sub-Committee chaired by my noble friend Lord Whitty, in its report on trade options. As my noble friend pointed out, it concluded that the option for Britain that is least disruptive to trade and most favoured by industrialists was the EEA option. It so happens that I have tabled an amendment on that, for a week today in Committee, which would entail staying in the single market on particular terms until adjustment of freedom of movement meant that we could rejoin EFTA—but that is for next week.

The Government have got themselves into considerable confusion because they believe a lot of the wilder, more extreme rhetoric of their Brexit supporters: that Britain, somehow uniquely, wants to be involved in world trade and that there is a contradiction between that and being involved in European trade. I do not know whether it has occurred to people who press this point that Germany is the most successful exporter in world and the German share of world trade—or the world market share, as the Germans call it, which we are also interested in—is handled very effectively by the Germans both in Europe and in the rest of the world. There is no contradiction between the two.

On the internal market, there is the idea that it is all useless, obstructive regulation. The point has been made: how do you expect trains to run on all the different European railway systems unless there is one system of signalling? That example can be used, along with many others.

Then, there is the question of the future of workers in this country. Why do people think that, to achieve this so-called frictionless market—which we actually have at the moment—we need to spend some \$60 billion? Why do we not stay in this market? Is that not exactly what Vauxhall, Nissan and the aerospace industry are telling the Government, let alone those in the labour movement, in financial services and so on? There are a lot of myths about the "working class"—a term that people have been telling me for many years is out of date and no longer exists. Now I am told it does exist, and that people who voted to leave have an angst

[LORD LEA OF CRONDALL]

about the modern world. The slogan which fits the experience is: "Stop the world, I want to get off". I do not know whether you can stop the world but it is jolly difficult to get off.

We have a problem with involving people. I was a member of the Bullock committee on industrial democracy, and in the last 30 years we have lost the idea that the average worker should be heavily involved in strategic issues such as world market share and that the main goal of the organised worker should be to see that their company and industry can increase its world market share.

In conclusion, we would have a better explanation of how the so-called great repeal Bill relates to the negotiations if we had a cost-benefit analysis of all the different trade options, rather than being told that there is no alternative.

9.28 pm

Lord Carlile of Berriew (Non-Afl): My Lords, the great achievement of Europe in the last 72 years has been to change the pattern of history—from constant wars, pogroms and the like to peace throughout western and central Europe. I want to start with a plea to Ministers that when they start on the difficult negotiation that will be triggered in March, they should not for one moment lose sight of the importance of sustaining peace and security in Europe. To me that is far more important than the single market or the customs union, for our very survival depends on it.

I am one of the lucky ones. My father, who was born in 1904, was first a refugee in 1915 when he was evacuated from his native eastern Poland as the Russians laid a scorched earth policy across the territory. He spent three years as a refugee in Vienna. He next was a refugee on 20 June 1940, when a collier carried him from La Rochelle ultimately to Glasgow where he became a refugee in the United Kingdom and remained for the rest of his life.

My mother was a refugee. She defected from her job in the Polish foreign service in 1946 to come to Britain and marry my father. So I have had the great good fortune of my family being treated with great generosity by the United Kingdom—a refugee family which, I hope, has given good service to this country throughout the couple of generations that have followed.

Even before we were members of the European Union—and I do not suggest that our membership is a key to the peace and security of Europe—we helped to establish those institutions, the European Coal and Steel Community and the EEC, which gave Europe the stability that it has had up to this time. I do not think for one moment that we should lose sight of that

I turn to the technicalities of the Bill. My view has been stated by many others of the 56 noble Lords who have spoken in the debate before me, not least by my noble friend Lord Hannay. I believe that the plebiscite—the referendum—changes the dynamics by which we consider the Bill. We do not just have a Bill, we also have a plebiscite. My judgment is that it would be irresponsible, and even unconstitutional, of the House to refuse a Second Reading. If we refuse a Second Reading, or

insist on any significant amendments, we will be creating a turmoil and a challenge between the public and Parliament that will bring it into even greater disrepute than it is already. That is this chapter. In this chapter, we have to allow the Bill to go through, if necessary unamended.

Then comes the next chapter. The Government have given a welcome undertaking,

"that both Houses of Parliament would be given a vote on the withdrawal arrangements and the UK's future relationship with the European Union before any agreement was concluded".

That is a direct quotation from a document issued by the Library of the House. I would love to see more clarity as to what it means.

More importantly, if, when Article 50 has been triggered and the negotiations completed, it is the opinion of Parliament that the arrangements are disproportionately adverse to the national interest, that is no longer the responsibility of the referendum of last June. Nor should we ask for a further referendum, which sounds to me awfully like liking punishment and wanting more. If we judge as a Parliament in both Houses that the arrangements agreed are to the detriment of the national interest compared with the alternatives, or if they endanger security in Europe, at that point we will be properly informed as to what has been discussed. We will be properly informed as to what has been provisionally agreed, and we will then be exercising our constitutional role, if it be the case that what is agreed is unsatisfactory, in rejecting it. That seems the correct constitutional analysis.

9.34 pm

[LORDS]

Lord Flight (Con): My Lords, I congratulate the Prime Minister and the Government on the professional, cautious and polite way in which they have managed Brexit proceedings. It is no surprise that the Prime Minister clearly has a substantial proportion of the country behind her. We all know that this is a short, very simple Bill about enabling the Prime Minister to give the European Commission notice of our intent to quit. I therefore ask myself why there have been so many speeches—and so many speeches to come—in both our Houses. What it is about is this: all my lifetime the big political issue, which was often lurking and not discussed, has been the right relationship between the UK and Europe. For 20 years I said to Conservative friends that this should not just be pushed into the corner; it needed to be faced up to and addressed. They would often say: "No one is interested in it: they care about the National Health Service". I always said: "Give them the opportunity to be interested and you will be amazed". Look what happened: people were eventually given a referendum and we had a turnout that we had not even seen at a general election.

That is why both Houses of Parliament have reflected the wish of people to express their own thoughts and perceptions about our relationship with Europe. I am pleased that none of the opposition political parties intends to disrupt and frustrate the calling of Article 50. It would be clearly inappropriate to do so—tantamount to telling citizens that they did not know what they were doing and being offensive towards them. I voted Brexit because I objected to the gradual removal of

the democracy we had spent 1,000 years establishing. However, the obvious, huge issue for the EU going forward is the terrible mistake of adopting the euro. If you try to share the same currency among very different economic areas, particularly with no transfer payments, you will eventually get an explosion. In 1988, I wrote a book called *All You Need to Know About Exchange Rates*. Even then I made the point that, unless Italy had the steam valve of being able to devalue periodically, a financial collapse there would lead to the destruction of what people were trying to build. That is still the great risk facing us.

Everyone knows that the referendum was an entirely legitimate way of seeking the view of citizens and that it was intended that the Government would follow whichever way the people voted. However, I have never had a satisfactory answer to the big question of why, unlike the PR referendum, its result was not legally binding. It is a rather strange situation: everyone understood that the Government would do whatever people voted for, but there was no requirement so to do. That has, to some extent, caused problems. It is correct that Parliament should authorise the Prime Minister to go ahead and activate Article 50. One thing I have always been uncomfortable about in the way the EU has pushed a lot of law into our legal system is the use of the royal prerogative. I would have found it rather ironic if the prerogative had been used by the Brexit camp. I was pleased and surprised at the 384 majority in the Commons. That reflected, first, the fact that no one wanted to be seen to be thwarting the will of the people and, secondly, the popularity of the May Government. I think that people are quite clear that the Bill is not about whether we leave or not—the vote was about that—but is about enabling the Prime Minister to implement people's wishes as expressed in the referendum.

There is an irony in that the judicial review that the remain camp sought and achieved has actually served to, if anything, strengthen the Government's position. It is also somewhat ironic that the supporters of remain have argued that they were keen on parliamentary democracy here, but they have been fairly happy for it to have been eroded by the EU over the past 30 or 40 years. Those supporting leave have supported the democratic cause but part of the whole process of having this vote is to fall in with the parliamentary case.

We are where we are: we all know that this Bill is just about the mechanics. It has to be successful for Article 50 to be activated. It also has this extraordinary involvement of Euratom. I read with interest the Library's comments on it, where it seems to take the view that the legal cases on the one side or the other are equally strong and that it was, therefore, safer to include Euratom rather than to ignore it. I am also pleased that the Commons voted 6:1 to put the Brexit decision directly into the hands of voters and it has been the correct decision. Finally, there has always been a lack of clarity over Article 50 and it is, perhaps, a good thing that that has been resolved.

9.42 pm

Lord Foulkes of Cumnock (Lab): My Lords, compared with when we started nearly seven hours ago, we are a bit thin on the ground. However, we make up for it in

quality, tenacity and, of course, fortitude. Let me put my cards on the table: I remain totally opposed to Brexit. I am not going to throw in the towel: if we go ahead, it will be a total disaster economically, socially and in every other way, and it was sold on a false prospectus. I will oppose it by any legal and constitutional means. As my noble friend Lady Crawley said, we have a long, long way to go. I say to the Ministers on the Front Bench in particular—and I am not threatening them in any way because all six of them are good friends of mine; I hope that does not do them any harm—you ain't seen nothing yet.

We are just at the beginning of the beginning. We still have the Committee stage, the Report stage and the Third Reading, and then, of course, we have the great repeal Bill and, I am told, at least 7,500 statutory instruments to be dealt with as a result of that. That is going to keep this House busy with a lot of scrutiny, and I am sure that we will do it properly. Of course, there are a lot of hurdles ahead: we have heard about Northern Ireland; no one has mentioned in detail the problems relating to Scotland. I know there are one or two members of the Front Bench who know some of the problems there. We have heard about the need for approval by 27 national parliaments and the European Parliament. It is a long, long way to go, and there is many a slip 'twixt cup and lip.

Today, however, I just want to concentrate on one thing very seriously, and that is our form of parliamentary democracy. I was in the other place for 26 years, so I am very sensitive about our parliamentary democracy. Winston Churchill said:

"We believe Members of Parliament are representatives, and not delegates".

He also said:

"We believe that Governments are the guides as well as the servants of the nation".

Therefore, Governments should give the lead. I liked a quotation from Edmund Burke, to the effect that,

"a representative ought always to rejoice to hear; and ... most seriously to consider",

the opinion of his constituents. But,

"authoritative instructions; mandates issued, which the member is bound blindly and implicitly to obey, to vote, and to argue for, though contrary to the clearest conviction of his judgment and conscience,—these are things utterly unknown to the laws of this land".

That was Edmund Burke. That is our parliamentary democracy. We do not have a direct democracy here in the United Kingdom; we have a parliamentary democracy. That is why I was disappointed in the debate in the House of Commons, where they ought to know better.

I was going to mention that someone said, "This Brexit is going to be a total disaster, but I'm going to vote for it". Incidentally, I have the greatest of respect for them. The noble Baroness, Lady Wheatcroft, outed that person earlier on, so I cannot be blamed for doing that. However, when these Members of the House of Commons took the decision, did they think about their judgment and their conscience, or did they just feel that they had to do what they believed the referendum told them to do?

Let us look at that referendum. First, as others have said, it was advisory. All pre-legislative referenda are advisory. The only one that has not been advisory is

[LORD FOULKES OF CUMNOCK]

the AV referendum, post-legislation, where we knew exactly what we were voting for, and thankfully, we voted it down. In addition, 16 and 17 year-olds were not allowed to vote, as they were in Scotland. Some of them are 18 now, and all of them will be 18 if we finish these negotiations. Some of the old cod—oh! I am chair of Age Scotland, so I had better be careful. I should say some of the elderly people who voted against remaining are, sadly, no longer with us. That is one of the ironies. EU citizens, who work in this country in the health service and the financial sector, were not allowed to vote. They are taxpayers. Whatever happened to "no taxation without representation"? They are being taxed, but they were not able to say anything.

On the threshold, which my noble friend Lord Rooker, and the noble Lords, Lord Kerr and Lord Norton, raised on earlier occasions when we discussed this, it was 40% in the first Scottish referendum, yet this referendum was supported by only 37% of the electorate. It would not have got through if we had had the Cunningham amendment. Even—the noble and learned Lord, Lord Hope, will know this very well—for Muirfield golf club to admit women, it has to have a two-thirds majority. We are making a major change to the United Kingdom constitution, not just a question of admitting women.

Baroness Royall of Blaisdon (Lab): However important that is.

Lord Foulkes of Cumnock: I am sorry—that was of course implicit in what I said. Finally, there were the lies on which Brexit was sold, not just different interpretations of the facts which we get at general elections, but manifest lies. I will not go into that in more detail.

I will finish with a little story, which goes back to my original point about parliamentary sovereignty. Many years ago, when I was an MP for Carrick, Cumnock and Doon Valley, we were having a vote in the House of Commons to change the law on abortion. I am not a religious person and I did not feel strongly about it one way or another. I therefore went to my constituency party—we had a large turnout, with more than 100 people—and I told them that I did not feel strongly about it and asked them for their advice. We had a fantastic debate, which lasted over two hours, and it was about 50:50. However, they resolved unanimously to leave it to me, their elected representative, to listen to the arguments and decide how to vote. That is parliamentary democracy for you. If we do not stick to that, not just the House of Lords will be redundant but the House of Commons as well.

9.50 pm

Lord Bruce of Bennachie (LD): My Lords, it is always a pleasure to follow the noble Lord, Lord Foulkes. I am pleased to say that, although I do not always agree with him, I agreed with every word that he said.

I want to focus on two things, involving two people: the Prime Minster and the First Minister of Scotland. Before the referendum, Theresa May was billed as a reluctant remainer—but a remainer. Since the referendum she has become an enthusiastic Brexiteer leading a Government barely distinguishable from UKIP. The referendum was conducted on both sides in a climate of misinformation. A Government elected with under 37% of the vote on a 66% turnout, under a Prime Minister who was not the leader of the party or an obvious prime ministerial candidate at the last election, have decided that their interpretation of the result should be sovereign—even trying to exclude Parliament from the process.

How dare they lecture us about democracy? As Ken Clarke said, had the result gone narrowly the other way—or even substantially the other way—the Brexiteers would not have stayed quiet but now would be in full cry for a rerun, as are the nationalists in Scotland, who also pledged that this was a once-in-a-generation vote. For the Prime Minister to say, definitively, that the people have voted to leave the single market, all or part of the customs union and the European Court of Justice, as well as—and probably more importantly—other institutions of the EU, is a denial of democracy and an abrogation of leadership.

Let me turn to Scotland. Before the independence referendum, the SNP declared that it was a once-in-ageneration vote. Unfortunately for Mr Alex Salmond, he said that on television and it is being broadcast every day on Facebook. Yet now the SNP is threatening another referendum, despite the fact that the Scottish Parliament does not have the power to run one. The circumstances have changed as a result of the EU referendum. They sure have—but not in a way that makes Scottish independence a better option. The SNP traded on the slogan "Independence in Europe" for decades. However, that was based on the assumption that the UK would remain a member of the EU. For Scotland now to leave the UK, for an uncertain future, is anything but appealing. That probably explains why the prospect of a second referendum is unpopular in Scotland and why the likely outcome looks no different from the result before.

Let us face reality. The idea that Scotland can remain in the EU as a residual part of the UK as the rest of the UK leaves is pure fantasy and cannot happen legally or politically—whatever Elmar Brok, in his mischievous way, may wish to think. The independence campaign failed most especially on its inability to give any credible steer on the currency that an independent Scotland would use and the ensuing friction and uncertainty in terms of engaging with the rest of the UK. That problem would be repeated in spades, should Scotland choose to leave the UK without an agreement on using the pound, which would anyway belie the concept of independence. Even allowing for the fact that Scotland, as part of the UK, has already adopted the acquis, it does not meet any of the essential fiscal criteria. It has no currency, no central bank and no track record. It stands to inherit an uncertain and unsustainable share of the UK national debt and, outside the UK, would be running a current account deficit that would not meet EU criteria under any circumstances. Even with a benign EU membership, therefore, it would take years in limbo before Scotland could aspire to full membership of the EU. That is even before consideration of the veto rights of the other member states.

As the UK obsesses with Brexit, which it will, Scotland obsesses with independence. Both those obsessions mean that day-to-day life is sacrificed and standards fall in education, health, skills and investment while we engage in this distraction. It is a form of self-destructive, collective insanity. Of course, we will campaign to minimise the damage and prevent the disintegration of our shared values, but it requires voters to turn away from an SNP that puts independence above the real interests of the people of Scotland and to stand up to a UKIP-leaning Conservative Party, which is leading us over a cliff. Every day it becomes more apparent than ever that more of our daily activities are threatened—culture, science, research, environment protection and workers' rights are all now in the mix.

Now Brexiteers want to decorate their own Christmas tree. At the weekend we were told that we should use our aid budget to sweeten the trade deal by spending it in Europe and not Africa. How hard-faced to take money away from the poorest in Africa and south Asia to try to win votes from eastern European member states. How despicable. No doubt this will also mean as we proceed in this that we will not speak out on human rights abuses in all the countries that have problems and with which we are trying to negotiate trade and investment deals. I hear it in Iran; I hear it in Burma: "Soft pedal. Don't upset them. We may want a trade deal. Don't stand up for British citizens. Don't stand up for human rights". In other words, our long-held and proud liberal values risk being traded away for Brexit. Not if I can help it.

9.55 pm

Lord Elis-Thomas (Non-Afl): My Lords, it is always a privilege to follow my former colleague from down the Corridor and to hear him speak so eloquently on human rights issues, on which I fully agree with him. I will not engage with his comments on the internal affairs of Scotland but I will speak about the consequences of this Bill in relation to the internal structure of the United Kingdom and the relationships between the existing and emerging devolved institutions in relation to mainland Europe.

Obviously I agree that the Bill as it stands does not contain a provision which gives rise to the need for any legislative consent motion on the part of any of the devolved Parliaments and Assemblies—but its implications and the developing negotiation position are matters that have profound concerns for all of the devolved Assemblies and the Scottish Parliament, and for the Administrations and Governments. That was recognised most recently by the Welsh Government's White Paper. As noble Lords can see, White Papers emerging from the Welsh Government seem to have a different cover from the White Papers that emerge from the UK Government—they are red rather than white. I do not know the reason for that; I will have to ask the First Minister.

The Welsh Government White Paper emphasises clearly the constitutional situation we are now in. The section on constitutional and devolution issues states:

"Withdrawal from the EU represents a fundamental constitutional change for Wales and the UK as a whole. Returning to pre-1973 practice is simply not an option since devolution was not then part of the UK's political structure".

I am not sure whether the implications of this have been clearly understood even within the departments of the UK Government. We are not talking about repatriating legislation currently with the European Union simply to this House—because how can it be argued that European legislation, which is the basis of Scottish legislation, Northern Ireland legislation and detailed constitutional practice, should somehow need to be filtered through this House before it is patriated by those devolved legislatures which are part of the structure of the United Kingdom?

The Leader of the House referred in passing to the role of the devolved Administrations. However, it is not only a matter of engagement. We are emerging equal constitutional partners in this United Kingdom and, in a sense, there is a parallel between what is happening in the process between the United Kingdom and the European Union and the process already in place within the United Kingdom in relation to devolution. That is why I am not as distressed as some of my colleagues about the changes on mainland Europe, but I am concerned that the United Kingdom authorities understand that in the coming negotiations the devolved Administrations, Assemblies and Parliaments are not just institutions to whom something may be reported when the UK Government decide that it is appropriate.

The whole question of the Joint Ministerial Committee mechanisms now has to be faced urgently before we can have a proper negotiation that involves the whole of the United Kingdom. These JMC mechanisms were created for a different purpose—to ensure regular discussions between Ministers about sharing policy and dealing with cross-border issues. Indeed, a very distinguished former UK civil servant has said that the JMC machinery was more of a talking shop for the exchange of information and was not created as a decision-making body with powers.

To make negotiation effective—unless the UK Government believe that it is appropriate for them to take control of the whole negotiation—there has to be a way in which devolved Administrations can be a part of the negotiation structure. Otherwise, at the end of that process, the peoples of Scotland, Wales and Northern Ireland—as we have heard already very eloquently from the noble and right reverend Lord, Lord Eames—will feel increasingly isolated from the activities of the UK Government.

We estimate that there are 5,000 pieces of legislation currently in force in devolved areas, which would need to be re-evaluated as a result of the negotiations that will change our relationship with the European Union. Not even the great repeal Bill will be able to deal with all of that. How many pieces of subordinate legislation would we be faced with in the National Assembly for Wales to deal with it? I am out of time—but so, soon, may be this Government, if they do not understand the issues that I have been explaining.

10.02 pm

Lord Blencathra (Con): My Lords, just for the record, I have not been on this Bench all day but I heard the first dozen speeches from the side of the Throne, some from the Bar and others from my office.

[LORDS]

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[LORD BLENCATHRA]

There are only two speeches one can make in this debate—either we accept the decision of the people and let this Bill pass or we substitute our judgment for that of the electorate and the Commons. I submit that your Lordships' expert opinions—and my inexpert opinion—on whether the UK should leave or remain in the EU and whether or not it is good or bad for the UK are utterly irrelevant. The decision is not ours as parliamentarians to make or to second-guess. The Bill before us today simply provides for the outcome of the referendum to be respected.

It was made very clear in the debate on the referendum Bill and by the Government during the referendum period that the decision rested with the people and that the Government would implement, without question, whatever the people decided. It was not the case that the Government would implement the decision of the people only if Parliament approved the referendum result. Nor was it the case that we would only leave if we stayed in the single market or customs union. Indeed, when Vote Leave suggested that we could still leave and access the single market, the then Prime Minister and all government and remain spokesmen denounced that. They said it was absolutely clear that leaving the EU meant leaving the single market and customs union—we could not have our cake and eat it. So it is simply disingenuous to suggest that Parliament has a right to determine whether or not we should leave the EU—the questions of the single market and customs union were not on the ballot paper.

The House will know that my right honourable friend Sir Oliver Letwin MP was one of the Government's foremost remain campaigners and was the Prime Minister's chief guru, thinker and adviser on these matters. He said in the other place on 31 January at the Bill's Second Reading:

"I made it perfectly clear ... that ... an inevitable consequence of leaving the EU would be leaving the single market ... and we would have to leave the customs union ... It seems to me ... that the people voting to leave were voting with their eyes wide open, knowing that the consequences might be our falling back on the WTO".—[Official Report, Commons, 31/1/17; col. 871]

We are leaving the EU and it does not depend on whether or not we in this House or anyone else likes or agrees with the final terms. Of course we want a good deal, but the decision of the electorate was to leave whether we get a good deal, however defined, or no deal at all. We will have nothing to be afraid of when we are a free, independent nation once again. The Bank of England almost every other week upgrades our growth forecast for this year. Last May it forecast that Brexit would cause a recession, but in August that growth would be up to 0.8%, then in November that growth would be up to 1.4%. Two weeks ago, it forecast growth at 2%. We have the same old project fear tunes from the IMF as well. Many remainers say—I have heard it today—that the majority to leave the EU was very small. I say that many millions more would have voted to leave if the Bank of England, Her Majesty's Treasury, 600 dodgy economists and the IMF had not blitzed the referendum campaign with a co-ordinated series of financial scares, dodgy forecasts and the old project fear. We would have had a massive majority if they had told us what they are telling us now, not what they were telling us then.

There are many experts in this House who know about the EU and trade. I do not pretend to have any of that expertise, but I know a little about the British electorate and the firestorm we will unleash if we seek to thwart them. I faced the British electorate seven times in the past and have been elected six times—I should say that I lost the first one. I have been in general elections where my party got a thumping majority and where we were thrown out by an even bigger majority. Like it or not, I believe the public got it about right on those occasions. They also got it right on 23 June last year.

I say to your Lordships—particularly those who have not been Members of Parliament—that you have no idea of the destruction we would create if we went against the decision of the electorate now. We cannot use the excuse that we are fulfilling our usual role of tidying up messy Commons legislation or simply scrutinising it. There is nothing in this tiny little Bill to scrutinise. It came to us from the Commons with a huge majority. If it were to be amended it should have been done in the other place, but the Commons did not amend it. If we seek to do so it will be perceived by those outside as deliberate sabotage of the will of the people, no matter how much we try to dress it up as improvement or scrutiny. The amendments are nothing to do with scrutiny. They are an attempt to build in conditions and tie the Prime Minister's hands.

The Government have agreed to give Parliament a say on the withdrawal deal and our future relationship with the EU before the European Parliament votes on it. It is absolutely right that parliamentarians should not be able to use this vote to demand further negotiations with Brussels in an effort to keep us in the EU by the back door. If the EU knows that there may be further negotiation after the initial agreement is made, that will incentivise it to give us a bad deal in the first place.

Finally, I have no intention of criticising the Lib Dems tonight. Indeed, I intend to praise one of them to the heavens. I end by quoting a former Member of Parliament and former leader of the Lib Dems, the spokesman for them early in the morning of Friday 24 June on ITV. The noble Lord, Lord Ashdown, said, with all the passion he can bring to a speech:

"I will forgive no-one who does not respect the sovereign voice of the British people once it has spoken, whether it is a majority of 1% or 20% ... It is our duty as those who serve the public to make sure the country does the best it can with the decision they have taken".

He went on:

"In. Out. When the British people have spoken you do what they command ... Either you believe in democracy or you don't. When democracy speaks we obey. All of us do".

What has changed?

If this House tries to sabotage the Bill by building in amendments on the single market, the customs union or the end deal, then forget about the press criticism of the judges. The criticism will be of us and we will be called the real enemy of the people. We will unleash demons which will not be controlled. This House will be destroyed and we will have turmoil on the streets. All the latest opinion polls show that the mood among the public, even those who voted remain, is to get on with it and get on with it now. That is good advice and I suggest we follow it.

10.09 pm

Lord Morris of Aberavon (Lab): My Lords, I will confine myself to the legal process in the triggering of Article 50 and whether the rule of law—which the noble Lord, Lord Faulks, dealt with meaningfully—and the judiciary have been damaged.

I do not dispute the individual's right to litigate, nor the Government's right to appeal. My concern is with the fall-out and the Government's machinery for legal advice. The Government's legal advisers are the law officers, and their tasks are difficult. They have to speak truth unto power in the face of occasional, strong political pressures, particularly from Downing Street which has its own political agenda. Lady Justice Hallett demonstrated this in her report into the on-the-runs Irishmen.

There is a strong convention that neither the Attorney's legal advice is disclosed, nor whether it was sought. However, it would be an immense advantage in these exceptional circumstances if we knew whether the advice of the Attorney was sought, particularly as to whether an appeal should have been made to the Supreme Court. The Divisional Court, under the Lord Chief Justice, the noble and learned Lord, Lord Thomas of Cwmgiedd, delivered a masterly judgment in a very short time. This should be a template for the future in form and substance. In the gap between the court's judgment and the appeal, the pundits were more and more saying that the Government might well lose the appeal. Did the Attorney advise on appealing and did he canvass the risks of damage to the judiciary, coincidentally prolonging uncertainty?

When there is a countervailing public interest, exceptionally, the fact of seeking the Attorney's advice has been disclosed. It was done in the case of the Iraq war. Mr Douglas Hurd, the then Foreign Secretary, also gave a great deal of detail in the Commons on Sir Nicholas Lyell's advice on aspects of the Maastricht treaty.

After the Divisional Court's judgment, three national newspapers waded in with excruciating headlines which are not worthy of repeating. We also had detailed analysis of the personal connections of judges of the Supreme Court with Europe and European institutions, written with a view to muddying the waters in so far as their integrity was concerned. At paragraph 197 of the judgment, the noble and learned Lord, Lord Neuberger, said:

"The only issue in dispute is whether the action by the Crown ... must be authorised by an Act of Parliament".

The noble and learned Lord, Lord Hope, was right to remind us of paragraph 123 that the resolution of the House of Commons is just not enough.

In this modern age, the judiciary is called upon time after time—particularly in judicial review cases—to adjudicate on matters with a strong political flavour. I value its role. Did the Cabinet consider the dangers to the judiciary and to the respect for the rule of law in the process of appealing against what many of us thought was a very clear judgment and which was the object of some appalling press comments?

When I was in Cabinet, a long time ago in the 1970s, before the office of Lord Chancellor was downgraded, the Cabinet had the advantage of hearing

the views of an experienced and heavyweight Lord Chancellor. Although the Lord Chancellor was not the Cabinet's legal adviser, no sensible Prime Minister would let him hide his light under a bushel. His views would be welcomed by the Cabinet and by the Attorney. The present Lord Chancellor is not a lawyer, but she has all the legal resources of the Department of Justice, unless these have been dismantled. It would be useful to know what considered advice—if any—she gave the Cabinet. All I know is that she was tardy in carrying out her legal and constitutional duty to defend the judiciary under Section 3 of the Constitutional Reform Act 2005. The House was not impressed by her laboured attempts at the Dispatch Box to defend her delayed comments. There is more to being Lord Chancellor than wearing judicial robes.

I had the temerity to advise the House on 6 July that there was a need for parliamentary approval on two grounds. The first is political, as in going to war. The royal prerogative was outdated for the purpose. The second was that one Act of Parliament giving rights could not be undone by the royal prerogative, but taken away only by another Act of Parliament. I was fortunate to have read the article in the *Times* by the noble Lord, Lord Pannick. I believe that the noble Lord, Lord Lisvane, to whom we listened with very great respect, was the only noble Lord who disagreed with my second proposition.

In conclusion, although there have been regrettable, unfortunate incidents to the claimant, some of the resident population and others, I am confident that the judiciary and the rule of law are sufficiently resilient.

10.15 pm

Lord Brown of Eaton-under-Heywood (CB): My Lords, I support the Bill with the deepest misgivings. Like many others, I remain a remainer and I continue to believe that Brexit will surely impoverish and certainly not enrich this country and, indeed, Europe as a whole—economically, culturally, politically, socially, you name it. Why, then, support it? Not because I am fearful we shall otherwise be abolished—plainly, we will not succumb to bullying of that sort. Indeed, I do not believe we could be abolished, certainly not by invoking the Parliament Acts. Nor do I support the Bill because, as we constantly acknowledge, we are essentially a reviewing and revising Chamber only able occasionally to delay, never to reject, legislation proposed by the elected House.

In this instance it is perfectly plain that the majority in the Commons voted for the Bill, assuming, of course, that they were not indisposed on the night, notwithstanding their opposition to Brexit in principle, either because they were fearful of otherwise disaffecting constituents and losing their seat or—a more generous view—because they felt compelled to give effect to the referendum vote and honour the result. It is that which in the end impels me, too, to support the Bill while at the same time recognising the strength and integrity of the opposing view.

Those minded to reject the Bill may ask, what about the 48% who voted to remain? What of the Brexiteers' profoundly misleading referendum campaign? What of the obvious disagreement among the

[LORD Brown of Eaton-under-Heywood] 52% majority as to what Brexit actually entails and what are its central aims? What of the absurdity of supposing that the electorate faced a simple, binary choice, so that the course now required to give effect to their vote is perfectly plain? What of the Supreme Court's decision that the referendum was, after all, in law only advisory? So constitutionally, as parliamentarians, ought we not now to be exercising our own independent best judgments as to whether, after all, to take that advice and pursue Brexit? As I say, I recognise the force of these points, not least cumulatively, but in the end I still believe that they are outweighed by the compelling need to interpret and implement as best we may the referendum result. In short, whatever damage we judge Brexit may do to the national interest in so very many important ways, it is still less than the damage I believe would inevitably be done to the public's trust in the political process if we were now to thwart the majority vote.

The plain fact—plain at least to me—is that the 52% of Brexiteers included the most politically distrustful and disengaged sections of society. Of course, I do not say that of all Brexiteers; nor do I say that any, or certainly many, would take to the streets violently if we were now to frustrate their success in the referendum vote; but I do say that it would take generations for the public's confidence in the democratic process to be restored. Of course, there are lessons to be learned from all this: above all that referendums are intrinsically dangerous devices, incompatible with representative liberal democracy. Par excellence that was true of the Brexit referendum, requiring as it did a bare-majority decision on a complex question of the most profound importance, supposedly offering a simple binary choice and realistically offering Parliament no option now but to accept the outcome and embark on this hazardous course of at least initiating the Brexit process.

As for the future, who knows where we and indeed the rest of Europe will be 18 months or two years down the track? For that reason, I am disinclined to support any of the amendments designed to bind the Government at some future point. Least of all should we now bind the Government to a further referendum at the end of the process, at any rate on a bare majority, although one could toy with the idea of perhaps having a referendum requiring a 55% or even 60% majority.

All that said, there are three things I now implore of the Government. The first is a full and immediate assurance to all EU citizens already here before the Brexit vote as to their future, no doubt subject to risks of deportation for criminality and the like but otherwise unconditional. That is the right thing to do. Not entirely coincidentally, it would be the politically and diplomatically astute thing to do. Secondly—the noble Lord, Lord Hannay, touched on this—I implore the Government not to adopt an inflexibly doctrinaire approach to severing our links with the European Court of Justice. There is really no room for zealotry with regard to at least some areas of future co-operation in Europe, crime and policing prominent among them. Thirdly and finally, I ask the Government to consult as fully as possible at all stages and listen to the voices

of wisdom, experience, expertise and sound judgment, many of which are to be found in your Lordships' House.

10.21 pm

Lord Balfe (Con): My Lords, I will begin by outlining my own position. I served as a Member of the European Parliament from 1979 to 2004. I receive a pension from the European and UK Parliaments as a result of that service. I currently chair the European Parliament pension scheme and I am the vice-president of the European Parliament Former Members Association. I hope the *Daily Mail* will regard that as putting all my interests on the record.

I live in Cambridge, I campaigned for a yes vote, I was active as an officeholder in Cambridge Says Yes, and I did everything I could to get the result I and a pretty large majority of Members of this House wanted. Almost 75% of the voters in Cambridge supported Remain. But overall we lost, I lost, I believe the country lost and in due course I hope leave voters come to realise the foolishness of that decision. For me, it was never a matter of money but of principle: is Britain part of the international polity of institutions or do we, like the United States between the wars, retreat into isolationism? That was the central question. It still is.

In the last few weeks and particularly the last few days, I have received numerous emails from people who to my mind have a very shaky understanding of democracy. It was Clement Attlee who refused to let any provision for referenda enter the constitution of the Federal Republic of Germany because, in his view, "the referendum is a device of dictators and demagogues".

When we passed the Bill we sold the pass and gave the people the right to decide. They have done so and their decision must be respected. It is no good playing games with numbers. On at least three occasions since the Second World War, the Governments of this country have been decided on smaller margins than this referendum. That is why, although I will take part in the Committee and other stages, I will not be supporting any vote to amend the Bill.

I have been impressed by the responsible and restrained representations I have received from many of the trade unions I deal with. They have legitimate fears and interests. I have communicated them to Ministers. Indeed, today I sent the Minister who is replying to the debate a submission from USDAW, which I am sure he will consider and deal with sympathetically. I am not asking him to deal with it in his reply to the debate. I will seek assurances during this procedure but I realise that the Minister and his colleagues, at the commencement of negotiations, will be circumscribed as to what they can offer. But a general indication of the direction of travel would certainly be welcome.

I now turn to the particular difficulties faced by a large group of public servants: those either currently employed by or the pensioners of European institutions. In the 45-plus years since we joined the EU, thousands of staff and members have worked for its literally dozens of institutions. Everyone has heard of the Commission and most have heard of the Parliament. But do not forget the European Court of Justice, the

Court of Auditors, the Council of Ministers, the European Economic and Social Committee, the European Medicines Agency—based in the UK, of course—and many others.

Encouraged by Her Majesty's Government and often coached by our representatives in Brussels, people of high calibre have devoted many years of their lives to UK representation in the service of these institutions and to the promotion of a British view of how things are done. The UK Government have sat in on the development of staff conditions and helped matters evolve to the present situation. In his capacity as a Commissioner the noble Lord, Lord Kinnock, oversaw a fundamental reform of staff working conditions in the early years of this century. All the way through, the Government have been a party to all the decisions which helped to shape working practices, pensions and benefits. Tied up in these conditions of service are undertakings under the headings of pensions, health, and other ancillary benefits, to which in my view Her Majesty's Government must pay careful attention in the unravelling of the treaties. Today, the staff are worried. Some of them fear that HMG, who were so happy to have them in position when it was useful, are on the point of abandoning them.

I realise that the Minister is limited in what he can say in reply to this debate but I would like him to make two clear statements about the future. First, can he say a simple thank you to those who have dedicated their working lives to this project, which was until a few months ago a common endeavour? When I sat as a commercial mediator, I found that the first step on the road to a successful outcome in a case was often a simple acknowledgement that both sides owed something to the other. If the staff feel that they are abandoned and unwanted, this will trickle down through other agencies. Whether it be in the UN, NATO, the WTO or many others, the word will get round that the Government are not to be trusted and do not appreciate the work performed by their nationals. We will be poorer for it and be less well served. Secondly, can the Minister give an assurance that these financial worries and legitimate expectations will be at the forefront of Ministers' minds when unravelling the complex interface between our obligation to present staff and pensioners and the need to complete the withdrawal negotiations expeditiously?

I am sure that the Minister will do his best. I am not here to cause him trouble but to raise some important points, which have been reflected to me by the staff associations of the European Union and by many of the people who have devoted their lives to working for what they regarded as a common endeavour. We owe them a responsibility of care and I look to the Government to deliver on that.

10.28 pm

Lord Parekh (Lab): My Lords, this is a momentous debate, in which the House and Parliament as a whole are trying to turn our back on over 40 years of our history and strike out on our own in a highly dangerous and volatile world. This is the result of the referendum. Some people outside the House, and some of your Lordships as well, have tried to question the democratic legitimacy of the referendum on the grounds that only

39% of the people voted for it, and because all the lies told and falsehoods spread meant that the campaign was not as honest as it could have been. I am afraid that that is water under the bridge. It does not amount to any kind of electoral malpractice and can be ignored.

The referendum poses three extremely important questions. First, what is its constitutional status? Secondly, what does it commit us to? Thirdly, once we have achieved what it wants us to achieve, what next? In the five-odd minutes that I have, I will address those questions in that order.

The constitutional status of the referendum is that it is largely advisory. Although the Prime Minister and others have said differently, this is not part of the Bill—and only the Bill carries its own meaning. More importantly, to suggest that it is mandatory is to question the principle of parliamentary sovereignty, which is the constitutional linchpin of our political system. That means that, as an advisory proposal rather than a mandatory one, it requires every MP not simply to give in to what the referendum says but rather to give it serious thought and to give his best judgment to the question in hand. It is quite important that the MP is never entirely helpless. With an advisory referendum, the MP retains the freedom and responsibility to make sure that he exercises his mind as wisely as he can and delivers a judgment.

The same applies to your Lordships' House. Although we are not elected, we are nevertheless representatives. As I teach my students in my political philosophy class, being elected and being representative are not necessarily the same thing. In certain contexts, the Queen represents us without having been elected. So the fact that we are sometimes threatened with extinction if we exercise our judgment need not worry us. During the 17 years that I have been in your Lordships' House, I have seen those threats wielded again and again, and I am afraid that they do not really amount to very much—and if they do, we shall see.

I want to concentrate on the second question, which is: what does this referendum commit us to? Some people seem to think that it commits us conclusively and exclusively to getting out of the European Union. I am afraid that it does not. If 52% of the people want to get out and 48% of the people want to stay in, the message of the referendum, as I understand it, is to leave the European Union in such a way that we remain a member—to leave the European Union but not give up the best that it has given us and the gains we have made. That means that we should not do anything to, or settle on terms that, lower the standards that we have come to expect during the past 40-odd years that we have been a member of the European Union.

We should protect workers' rights, we should not weaken the UK, we should respect human rights and we should respect the rights of EU nationals resident in the UK. This is what is being said when we are told that we are leaving the European Union but not Europe. What does that mean? What does Europe stand for as different from the European Union? Europe stands for certain social democratic values. So when we are told that we are not leaving Europe, we are saying that we are committed to those values and that they must at all costs remain our guiding star.

[LORDS]

[LORD PAREKH]

It is also quite important that we should not be too obsessed with the question of immigration, which was really the issue in the referendum. Immigration is bound to remain high, partly because of our labour market situation and partly because trade deals that we enter into with individual countries will involve clauses about the movement of people.

The third question is: once the terms of settlement have been reached, what do we do? Obviously they must be approved by the people. Ideally I would have liked this situation to be settled by Parliament on the principle that our system is based on parliamentary sovereignty. But, having conceded a referendum in the first instance, to go back on it or to suggest that there will be no referendum in the future would imply an act of political cowardice as well as being an act of inconsistency.

I will end by simply saying this. We are planning to go alone. We can go alone—no one in the world can stop us from doing that—but we should remember that, in wanting to do that, we run risks. We saw that, for example, when the Prime Minister had to meet the President of the United States. We need Uncle Sam to hold our hand and to make sure that we can get a better deal; we think that he will use his influence in such a way that other countries might give us one. On the one had we chafe against EU constraints; on the other hand we seem only to keen to embrace those offered by Uncle Sam. I do not think that is the way we should behave.

10.35 pm

Lord Judge (CB): My Lords, the noble Lord, Lord Maclennan, cannot be here this evening, so it is my turn to speak—I think that I have moved up from 67 to 66 in the batting order. I have listened to some remarkable speeches and to views passionately held on both sides of the argument. I have reminded myself, having listened to seven and a half hours or thereabouts, that the issue raised here by the Bill is whether the Government may be given permission to take the first step to exiting Europe and to honouring the referendum vote. That is the issue. The House of Commons has said yes, and we should do the same. It is simply unacceptable for Parliament—for this House—not to honour its commitments. That is what happened when Parliament enacted the referendum Bill.

Of course the bedrock of our constitution is parliamentary sovereignty and of course the ultimate supremacy is in the House of Commons, which is our democracy in action. But because Parliament is sovereign, it may, if it wishes, curtail or restrict the operation of its sovereignty and, indeed, may delegate parts of its sovereignty. That is what happened when the European Communities Act 1972 was passed and that is what has happened, and will happen, whenever there is a referendum.

Because your Lordships have heard all the other arguments, I will give myself the chance to say something about referendums. I find them extremely worrying. The noble Lord, Lord Balfe, reminded us of Lord Attlee's concern about the dangers of a plebiscite. The real danger of a referendum is that the views of the minority get buried, which is one of the complaints that I have heard on this side of the House. Many people are also concerned about the divisions that the referendum has given rise to—but that is what referendums do. It is no longer those people there in Parliament listening to each other, disagreeing and voting; it is every single citizen disagreeing with every other citizen, by 52% to 48%. That is the cause of the divisions of which we have heard so much and which will continue if we have another referendum.

I simply cannot accept the constitutional validity of a referendum, which is offered to the public only because political parties of one side or another are not too happy about whether they will give a show of party unity in the House of Commons if the issue is debated. The truth is that major parties divide on serious and significant constitutional issues. Why should they not? Is that not the whole point? It is utterly politically naive of me, but why should there not be a free vote on these things? I realise that I am speaking as an out-of-touch lawyer who does not know the political realities, but if that is why we have a referendum—it is why we had a referendum about going into the EU and why we had a referendum about whether we should come out of it—that is an extraordinary abdication by Parliament and representatives of the country of their own responsibilities. I make it clear that I regard referendums as extremely alarming in our constitutional arrangements.

So what do we have here? Parliament, manifesting its sovereignty over these matters, gave the country a referendum. The country voted on a clear understanding that each individual vote, however many millions there were, would be counted and that the wish of the majority would prevail. If the vote was for Brexit, the Government would get on with the negotiations—in other words, the process should start. The referendum did not include any questions about the circumstances in which Article 50 should or should not be engaged, nor did it suggest that conditions might be attached to the operation of Article 50. It asked a simple question. It did not even ask the voters why they were voting the way they were. All of us have ideas why people voted in ways that some of us find surprising and remarkable. All of these were individual people and will have had their own reasons for voting, but, stripped to essentials, the question was, "In or out?", and we know the result.

For the purposes of the Bill—the starting of the process under Article 50—surely Parliament must accept the result without equivocation or delay. Surely Parliament cannot now seek to attach conditions to the exercise of the Article 50 power. However, that is not what the referendum was about. It would be an astonishing coup for those negotiating with us on behalf of the EU if we in Parliament sought to set out conditions in advance of the negotiations that we would or would not find acceptable. Frankly, if I were on the other side, I would welcome such conditions being imposed; I would greet them with hilarity and think that the British had once again played into our hands.

With all that said, there is one further consideration. At the end of the negotiation, we are going to know what it provides. There is going to be an election the year after the end of the negotiation and the Government will have to answer to the electorate. The Government have suggested that Parliament would be allowed to have a say about the negotiations. I would be astonished if it did not, but surely Parliament has not become so pusillanimous that, if the Government did not give it a chance to discuss and debate the terms and conditions that had been arrived at by the end of the negotiation process, Parliament would not take its own course and take the matter into its own hands. We do not have to wait. For now, though, on the issue of whether the Government should be allowed to pursue Article 50, in reality there can be no argument.

10.42 pm

Lord Callanan (Con): My Lords, I draw the attention of the House to my entries in the register of interests, in that I provide advice and consultancy services to a number of European companies and organisations. It is also worth recording that as a former Member of the European Parliament, I hope when I reach retirement age in due course to benefit from a pension from that institution. More than seven and a half hours into this debate, I am conscious of two things. The first is the incredible stamina of the two Front Benches, who are doing an excellent job of looking as though they are still paying attention to what everyone is saying. The second is that virtually everything has been said but of course not everyone has yet said it.

Before the referendum, after much careful thought and consideration, I supported Brexit, and of course I support the Bill today. I am fully aware that the negotiations over our departure from the EU and the follow-on trade arrangements will be difficult, complicated and drawn out, and there will be much drama, but that is not what the Bill is about. Put simply, the Bill is about giving notice under the only legal mechanism available, Article 50, of our intention to implement the result of the referendum.

Like others, I greatly enjoyed the contribution in another place from the Member for Rushcliffe, Kenneth Clarke. I did not agree with him, of course, but I greatly enjoyed his contribution. I think he benefited from the notion of consistency. He opposed the idea of a referendum and voted against holding one because he thought it was a bad idea, and therefore he did not feel bound by its result. I did not agree with him on any of those issues but at least he has the benefit of consistency in his views. What I find difficult is the inconsistency of many of the speakers in this debate, people who produced leaflets saying, "It's time for a real referendum on Europe", and who enthusiastically supported the referendum Bill when it came to this House but now tell us that they somehow do not wish to accept the result of that referendum.

When they voted on the referendum Bill, what did they think they were voting for? Did any of them say in debate at the time that the referendum was only advisory and a glorified opinion poll, as someone has said? Indeed, did they make that point during the referendum campaign itself? Of course, the answer is no, they did not. In fact, the opposite is the case. The Liberal Democrats in particular went out of their way to tell us all how important it was, how it was vital for the future of the country: this was an opportunity finally to put this issue to bed and not have to talk about it ever again. That was why it was important for us all to go out to vote remain. Now that they have a

result they did not want, they are all telling us that actually, it is time to think again and we should have another referendum in case we want to change our minds.

I fear that that is how I view many of the amendments spoken to tonight to either delay the result and notification of Article 50 or to bind the hands of our negotiators. Therefore, all the amendments are unwelcome. I want to see us become a good neighbour and friend to the European Union rather than what we have become, which is a reluctant tenant. The country has voted to leave. We should get on with it.

10.45 pm

Baroness Royall of Blaisdon: My Lords, I rise with great sadness to speak in this debate on a Bill which will trigger the implementation of the biggest political decision taken in the past 40 years. The European Union has been a large part of my professional, political and family life. I have never wavered in my view of the crucial role that the EU plays and has played in safeguarding peace and stability among its members. It is certainly not perfect, but it has been extraordinarily successful in bringing people and nations together, in stabilising democracies, as a catalyst for change in countries aspiring to be our partners, and in creating the biggest trading block in the world which respects the rights of workers, consumers and the environment. Since we joined, both Conservative and Labour Governments have been crucial in the development of the EU, and our proud place in the world owes a great deal to our membership.

Notwithstanding this brilliant beacon of hope for the world in these increasingly difficult and dangerous times, when our closest ally is abandoning values that we used to share, we are going to cut ourselves adrift, thanks to Mr Cameron's political expediency, which backfired and could have potentially catastrophic consequences for our country. I will not rehearse the debate about the toxic rhetoric and intolerance of the deeply flawed referendum campaign, of which I am still ashamed. Of course, alienation towards the EU did not begin last year, and many of us bear a terrible responsibility for not being more robust in its defence over the past 20 years, countering the myths espoused by the press and its owners.

The people have indeed voted, and I would certainly not say that they did not know what they were voting for. They took the decision seriously. However, they were sold a pig in a poke and, rather than taking back control of their lives, they may well now be faced by job insecurity, rising prices, fewer rights as workers and consumers and fewer opportunities. As has been said, leaving the EU will not mend all that is wrong with our society.

While I understand the anger about elitism and inequality that I believe was expressed in the vote, I do not think that people voted to leave the single market or the customs union, so I have to ask why the Prime Minister did not even try to negotiate future membership of the single market with some restriction on freedom of movement. Why does she continue the appalling policy of Mr Cameron of putting politics before the economy?

[BARONESS ROYALL OF BLAISDON]

The Minister in the Commons said that the vote at the end of the negotiations will be either to accept the deal that the Government will have achieved or for there to be no deal. That, for me, is simply not good enough. Parliament should have the opportunity to send the Government back to negotiate further with our European partners if the choice is between a hard Brexit that is not in the national interest and no deal. A recent ICM poll, carried out for Avaaz, showed that only 35% of the public would support crashing out on WTO terms and no deal, while 54% would want either the Prime Minister to continue negotiation or to suspend Brexit pending a second referendum. The EU and the wider world are rapidly changing politically, socially, economically, technologically and environmentally, and I believe it is therefore imperative for us to keep the door open to all options at the end of the process.

With the Bill, the country is embarking on a perilous journey towards an unknown future which, rather than being driven by economic well-being, is being driven by immigration control. Before setting off on the journey, I should like, for example, more information about the implications for our economy. Where is the economic analysis? I should like to know the Government's views on the important legal issue raised by the noble and learned Lord, Lord Hope of Craighead. Will there be a further Bill at the end of the process? I would also be grateful for clarity about transitional arrangements that the Government will be seeking. The Government appear deluded about the time that negotiations will take on the difficulties ahead, and do not seem to understand that the overriding priority of our 27 partners who will have to ratify the final agreement is to maintain the integrity of the European Union.

How are the Government going to ensure that while reducing immigration they can continue to meet the needs of our farmers, our businesses, our construction and engineering industries, our health and social care sector and our universities? It is not just the hugely important question of EU nationals currently living in the UK; it is our ability to attract skills and talent in the future. Will EU nationals wish to come and work here if they have to pay for health insurance or if their children have to pay fees as foreign students at our universities? There has already been a reduction of more than 90% in the number of nurses from the EU registering with the Nursing & Midwifery Council since the referendum vote.

The referendum result was devastating for the 3 million EU nationals who live in this country but also for the Brits with whom many have relationships. People who contribute to our economy at all levels are already leaving this country because of the uncertainty for them and their families. The Prime Minister says she values the contribution of EU nationals, so now it is time to act. We are talking about human beings, not numbers on a spreadsheet. They need and deserve a guarantee that they can stay and that their rights will be grandfathered. I do not underestimate the complexities but this is a problem of the Government's own making and they have a huge responsibility to deliver. The situation of our own nationals in other parts of the EU is equally important, but they are in favour of this unilateral action.

While I am passionate about this issue, more importantly, so are all the young people I know. I have spoken to literally hundreds of young people since the referendum, in academies, grammar schools, FE colleges and universities, and all but a handful are despairing of the result of the referendum. They feel that their opportunities have been stunted and that we, the generation who had it all, have sold their future down the river. Those youngsters between the ages of 16 and 18 feel particularly angry that they were not even allowed to vote about their future. Many young people who feel European are looking for jobs elsewhere in the world, my own children included. They are dismayed about the prospect of a future in an inward-looking, insular country, as well as about the deep divisions in our society.

I accept that there is no turning back, so it is our absolute duty to challenge the Government, to scrutinise and amend this Bill. But in doing so, my principles will not change. This is a great and diverse country but it is now fractured. I want my country to prosper, to be stronger, to be tolerant, and I will do everything I can to help it to succeed. However, I firmly believe that this will be much more difficult outside the European Union when our economic power and our voice in the world will be diminished. To mix my metaphors, alone we are merely a player on the global stage whereas the EU is greater than the sum of its parts and enables us to have an enhanced role on that stage.

10.53 pm

[LORDS]

Lord Craig of Radley (CB): My Lords, the Prime Minister, and the government White Paper, state that there is to be no "partial membership" of the European Union. The UK is to leave and will be out. The Prime Minister has further made it clear that she hopes for a good deal, one that is mutually of benefit to both sides and the most satisfactory to aim for and to achieve—a win-win solution. She has also made it clear that in the absence of any acceptable future arrangement the UK will up sticks and leave. It is to be assumed that this would be at the end of the two-year period set aside in Article 50, or possibly by mutual consent, somewhat delayed by the pace of negotiation, to more than two years, but certainly not indefinitely.

If the first of these is plan A and the second is plan B, is there not also a real plan C that must be borne in mind? I have referred in previous debates to my concerns about the all-too-prevalent presumption that the European Union, not least during the period of Article 50 work, is going to be and will remain a stable and unified entity. I do not believe that to be more than an optimal assumption about the state and configuration of the EU in two or three years' time.

The euro problems are not resolved, migration flows may further stress relationships throughout continental Europe, and the prospect that several parliamentary and leadership elections are imminent this year may also presage a potentially very different negotiating climate, and replacement interlocutors for Article 50. That may lead to some delay, but I think that the ultimate and critical hurdle has to be political in the sense that the EU has to engender European parliamentary approval and a qualified majority of nation member Governments, to a final Brexit deal. However, on such an issue the Council would surely, as is already normal, seek unanimity. As Sir Ivan Rogers prophesied, a period of years, or even decades, of negotiation and stalemate could be the prospect.

I believe, therefore, that there must be a plan C that addresses the political difficulties I have outlined, and not just those concerning the trade and many other international relationships that have grown up for the UK and the EU in the past 40 years, and been much debated today. The reality hurdle, or stumbling block, has to be: will the EU nations agree and maintain a common political approach over the coming two years, maybe a bit longer?

I, for one, will not wager any bet, large or small, on that being the case. A plan C, which may presumably be a variant of "We're off plan B" must be considered. How do we respond if faced by a protracted lack of political unanimity in the EU nations, even though many trade, research, residency and other aspects have been favourably negotiated and backed by some, but not all, of the EU nations? On residency that must surely be a first priority issue for the Government. A plan C must be prepared to consider the range of such possibilities where neither a plan A nor a plan B will be achievable and satisfactory, or likely to gain parliamentary approval. Meanwhile, I support this short enabling Bill to invoke Article 50 without amendment. The time to consider future-related legislation and challenges is not for this short Bill.

The opportunities to debate, and if necessary challenge the Government, will arise during the next couple of years, when issues become clear and are not merely supposition. As a short postscript, I suppose for some there is also a plan D—for the UK to remain, as now, in the EU—but I have no time to take this type of plan seriously.

10.58 pm

Baroness Hooper (Con): My Lords, I remember vividly when we joined the EEC in 1973. That is partly because I went to work in Paris at the beginning of that year and I no longer needed a carte de travail—a work permit. As an internationally minded person I felt this was progress in the right direction. As a lawyer who had worked in various European countries, the idea of harmonisation and a more efficient and effective business Europe had considerable appeal. Therefore, the decision of the 1975 referendum to stay in the EEC, with a substantial majority in that case, was welcome. Then came the 1979 direct elections and I was fortunate to be elected to represent Liverpool in the European Parliament. As an aside, Liverpool was the only major post-industrial city to vote to remain in last year's referendum. Subsequently, as a Minister in your Lordships' House, I played an active part in Council of Ministers meetings.

This brief background sketch is intended to show that my political career has been all about building a stronger, more united Europe as a force in the world to balance the dominance of the United States of America and the rising powers in the East. That is why I voted to remain in the European Union and was shocked and disappointed at the result. In saying this, I recognise, as has been said, that the European Union is not

perfect. Any institution needs to be reformed and revitalised from time to time, even our own. It also explains, I hope, my dilemma now about what to do about the simple, little Bill before us, which is set to trigger Article 50 and the process of our exit.

Given my natural inclination to do everything possible to delay the evil moment, the closeness of the referendum result, with almost half the voting population choosing to remain, after a misleading campaign, the number of people who have written and made representations asking the House of Lords to reverse the vote of the House of Commons and some of the arguments raised in the course of this debate, I have nevertheless come to the conclusion that we cannot and should not attempt to reverse the result. I do not like referendums and I certainly do not want another one, but our Parliament's sovereignty—which was, after all, a big issue during the campaign—deserves no less than a final say on the outcome of the negotiations. This would be in accordance with the Supreme Court ruling and in this respect I agree with the remarks made by my noble friend Lord Faulks and my noble and learned friend Lord Mackay of Clashfern.

Your Lordships' House will also have a major role in the great repeal Bill which is ahead of us. I say this based on the input of the European Union Scrutiny Committee, of which I have been a member, as well as on the series of excellent debates held since last year on the specific consequences of Brexit for research and development, higher education, the creative industries et cetera. I hope that the conclusions and focus of these debates will not be lost. However, other matters require more detailed consideration. As well as the need to safeguard Northern Ireland's position, which has already been pointed out, the future of Gibraltar and the other overseas territories must be worked out, as must the bilateral trade deals and many other consequences of the vote. I confidently expect that these issues can be fully tackled during the passage of the great repeal Bill and I pin my hopes on that.

Last week, I was in Berlin on an IPU delegation. My German friends could not comprehend how we had arrived at this point. As has been pointed out, their constitution does not allow them to hold referendums. Perhaps we should do the same when we get a written constitution. As my noble friend Lord Hill said, what seems like a very long time ago, we have to take account of our European neighbours. They need us to be "clear and consistent": I would add, "polite". I hope that we approach these negotiations talking not just about our own self-interest all the time but about what is in the best interests of Europe as a whole. In my book, that includes us whether we are in or out of the European Union. We all need certainty and the only way to achieve this is to proceed with triggering Article 50 and seeing the speedy passage of the Bill through the House

I will make one final observation. Brexit has been compared to a divorce. As it happens, I have three sets of friends who have been divorced but who, after a space, reconsidered and remarried. I hope that there will be good will and understanding on both sides in our negotiations with the European Union. A clean break will enable us to take a breath and take a view

[BARONESS HOOPER]

on the future in a positive and constructive way. We may even see a re-entry. Who knows what the future may hold?

11.04 pm

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Baroness Henig (Lab): My Lords, I declare my interests as set out in the register. We are all aware of the importance of this debate. In 30 or 50 years from now, academics, PhD students and programme makers will be poring over our speeches to understand why this country took the decisions it did in 2016-17 and how we parliamentarians explained and analysed the choices facing us. That is my defence for being the 73rd of 190 speakers in this debate.

Whatever our feelings about Brexit, we in your Lordships' House have a very limited choice in relation to this Bill. We can support it, given its large majority in the other place, or we can try to find improvements in the form of meaningful amendments to send back to the Commons. We are in a very unenviable position because in their election manifesto the Government took the decision to superimpose direct democracy on our parliamentary system of government in respect of membership of the EU. We tried to modify this measure, but the Government were unyielding in their insistence on a winner-takes-all referendum—a simple yes/no proposition—and that is why we ended up in our present situation, with a bitterly divided nation and a Government pursuing a harder and harder Brexit, which I actually believe a majority of parliamentarians do not support.

It is worth considering what might have happened differently in the past few decades had the public, rather than MPs, been the decision-makers. In the mid-1960s, MPs voted to abolish capital punishment, despite vociferous public opposition. We can be absolutely certain that a referendum at that time would have endorsed capital punishment, as it was not until the 1990s at the earliest that majority public opinion shifted towards abolition, 30 years after MPs had taken their vote. Would the public have been right and MPs wrong? Surely a majority in favour of a measure does not automatically mean that it the best action to take.

If we go further back to October 1938, had there been a referendum on whether this country should become involved in a war to stop Hitler from overturning frontiers in eastern Europe, I have no doubt whatsoever that a considerable majority would have been opposed to involvement in war. Churchill would have been tearing his hair out in frustration, but he knew the strength of the appeasement lobby and, let us not forget, of the popular press which was leading it. For how long would that decision have held? As Hitler extended his grip over eastern Europe and it became increasingly clear that Britain faced great peril, would another referendum have been held, or would Parliament or the Government have taken action to override the decision?

This is surely the second big problem with direct democracy: just as the public do not necessarily come up with the optimum answer, so also the system cannot respond to changes in circumstance. Some are now arguing that Brexit is irreversible—200 years at least, suggested the noble Lord, Lord Sterling, not very long ago—but why should that be so? Others in this debate have exhorted us to accept the verdict and get on with implementing it, but if international circumstances or economic trends change significantly and adversely, if in 18 months' time the only deal in sight is a really bad deal, should we just accept it? Why should there not be a parliamentary vote or even another referendum? This is certainly something that we must debate further in Committee.

The examples of capital punishment and of public opinion in 1938 show us that majority opinion has on many past occasions been at odds with parliamentary opinion, but never before have we had to manage a situation in which that majority have voted to lead us in a direction which large numbers of parliamentarians consider to be disastrous, or at the very least, ill-advised. I understand why so many people voted as they did to leave the EU, but I cannot agree that this was a good outcome.

I will give just two reasons why passing this Bill will make the country weaker, and not stronger. The first is the overwhelming evidence that leaving the EU will undermine our security. That was revealed in the debate in your Lordships' House two weeks ago on the excellent report, Brexit: Future UK-EU Security and *Police Cooperation.* Far from taking back control, we will be losing it in a serious way if we are no longer members of Europol, participants in the European arrest warrant scheme, or able to access the European Criminal Records Information System. We will not be able to track travelling criminals so easily, pursue speedy extraditions, or exchange information with our European neighbours so quickly about the movements of potential terrorists. Brexiteers will say we can make special deals to cover these things, but that will hardly be possible because we are severing our links with the European Court of Justice.

The second big negative for me is the proposed departure from the single market. The Conservative election manifesto of 2015 promised that Britain would stay in the single market, and one can certainly ask what percentage of the 52% who wanted to get out of the EU also wanted to get out of the single market and customs union. Here we have the world's largest tariff-free area—half a billion people—right on our doorstep, and we are turning our back on it. How can that make economic sense? How does that help our small and medium-sized businesses?

The Government talk of the virtues of a clean break, but what of all the issues that have to be resolved before separation? The chair of one of the big banks said that his team have identified 650 crucial issues. The next few years are going to be an absolute nightmare in terms of detailed policy-making to take us out of the EU and the single market. The Chancellor of the Exchequer said that people did not vote to become poorer or less safe; I am sorry, but that is exactly what they did. The only clear outcome of leaving the single market that I can see is steady economic decline, which accession to the EU enabled us to escape for a few decades.

I conclude with a very likely unintended consequence of a hard Brexit, which will be richly ironic. The Scottish Government, unsurprisingly in view of the strong pro-EU sentiments north of the border, want to remain in the single market. If this proves not to be possible, we can be assured that pressure will build irresistibly for a second independence referendum, which may very well be won. So future historians will write with great interest about how an avowedly unionist party, in a bid to resolve internal political differences, instead managed to bring about the break-up of the United Kingdom.

That is why I cannot support Article 50 as it stands. I respect the fact that others will have different views to mine, and they may very well be in a majority. But it is my strong belief that it is not in the national interest for the UK to leave the EU, and certainly not to leave the single market and customs union.

11.11 pm

Lord Lee of Trafford (LD): My Lords, increasing anti-European sentiment was a prime reason for me to bid farewell to the Conservative Party in 1997, 20 years ago, after 13 years as a Member of Parliament, from 1979 to 1992. That sentiment continued unabated, and finally resulted in the 2015 Conservative manifesto commitment, and of course the 23 June referendum. At the referendum, a simple question was put: in or out? There were no sub-questions on hard or soft Brexit, the single market or the customs union. Of course, there were exaggerations and untruths, many voted for all sorts of reasons, and many did not realise all the implications. But all that, I am afraid, is true of all elections and referendums. As we now know, there was a clear, albeit small, majority to leave—a decision I bitterly regret in so many ways, and a tragedy both for our country and for Europe. Looking back, the referendum was fundamentally flawed. Clearly, we should have given young people a vote—after all, it is their future—and I suggest that a higher barrier to leave than just a simple majority would have made sense. However, all that is hindsight; we are where we

It is fair to say, as a remainer, that our economy and financial markets have held up rather better than expected in the short term, but we are just in the foothills of negotiations. Tortuous paths lie ahead. I fear that Europe will ensure that we pay a heavy price for leaving, not least to discourage other countries from following us. However, we are already experiencing some of the negatives: a fall in sterling, resulting in rising inflation, which increasingly pressurises family budgets; a vile rise in hate crimes; uncertainties over future investment plans of major international companies; and a question mark over London as the dominant financial centre. However, one plus is that cosmetic surgery, apparently, has fallen 40% since Brexit, although I know of no reason for that and will not go down the route of speculation.

So far, the Government have hardly covered themselves in glory. Parliamentary scrutiny had to be forced on them by the courts, and they would have gained considerable respect by coming out early to guarantee that EU nationals living and working here would have a permanent right of abode. To treat them like pawns

in a negotiation is immoral and demeaning. In practice, many of our key sectors, such as hospitality, caring, food processing and agriculture, are dependent on them remaining here.

There are those—a majority on these Benches—who argue for a further popular vote at the end of negotiations: a destination vote, or similar. But however it is dressed up, it will be seen as a second referendum. I cannot support that. Our people have already spoken. A further vote will prolong the uncertainty and cause uproar in the country, or worse. Fanned by a hostile popular press, it would only widen the gulf between the establishment and the population—the very gap that many on these Benches have been striving so hard to bridge. Noble Lords will be able to see why I am sitting so far away from our Chief Whip.

We are a revising Chamber, acknowledging the primacy of the Commons. It voted overwhelmingly—that is, by 494 votes to 122—to trigger Article 50. I submit that calling for those already here to be allowed to stay falls within our scrutinising and revising jurisdiction; but a call for a further popular vote goes way beyond it.

11.15 pm

The Earl of Listowel (CB): My Lords, I would like to follow the words of my noble and learned friend Lord Brown of Eaton-under-Heywood. I support this Bill very reluctantly, but think it would cause greater harm to the nation to disregard the result of last year's referendum than to proceed on a course to separate ourselves from Europe—though I fear that that will, in the longer term, cause us great harm, and harm our neighbours. If one wants evidence for that one can turn to the speech by the noble Baroness, Lady Henig, who focused on two areas: the economy and security. She made a persuasive case that we will be worse off out of Europe than we are in it.

I thank the Leader of the House for introducing the Bill in such a helpful way. I will certainly seek to be constructive. Along with many noble Lords, I feel that at the end of the negotiations, when the deal is clear in the mind of the Government, Parliament needs a proper occasion to debate that. I hope the Minister is prepared to give an undertaking, either today or in Committee, that the Government will extend the offer they made in the Commons and allow Parliament to make a proper contribution to the final deal. If not, I hope the House will move amendments to make that possible.

I am grateful to the Government and, indeed, for certain aspects of last year's referendum result. It has brought home to all of us that a large part of the nation feels left behind, ignored and that it has not benefited from the economic success many of us have experienced in recent years, or from globalisation. If we look across to the United States, we see a similar experience: many people feel that, despite its great economic success, they have been overlooked. Those in the rust belt feel that they have been left behind. They look at Silicon Valley and feel envious, resentful and neglected. Therefore, I welcome that aspect of the result—it has brought home to us that we need to do more to reach out to the regions of this nation and its poorer groups, and recognise the difficulties they face,

[THE EARL OF LISTOWEL]

say we recognise them and take action to address them. The Prime Minister talks about those forgotten people; we need to see real action being taken to soften austerity. I sense that the Government have begun to talk more about homelessness issues and the many families in this country living in accommodation for the homeless. A Private Member's Bill—the Homelessness Reduction Bill—is coming very shortly, supported by the Government.

The Government may be in power for many years to come. I enjoin them to be a one-nation Conservative Party, because the referendum last year brought home to all of us that if we are not a one-nation nation, if we allow certain regions and groups of people to be neglected, there is a risk that populist politicians with a narrow understanding of the national interest will take advantage of that. That may be a heavy responsibility on the Government, given that they may in office for several years to come and they have the challenges not only of Brexit but of an uncertain economic future. They have done a good job of recognising the concern of many people across the nation that they have been disregarded. I hope they will persevere with that even in the current difficult circumstances.

Since taking my seat in this House 18 years ago, I have always been worried about the risk of our pivoting towards the United States. On matters of child welfare, one sees that despite many other great things about the country, the United States is a nation of great inequality where the poorest children do very badly. It has a high rate of teenage pregnancy—even higher than here, and we have the worst in the European Union—and high levels of criminalisation. The OECD found in its 2012 report on family functioning that in the United States, about 25% of children were growing up without a father in the home. In this country the figure was about 21%; in Germany I think it was about 18%—Germany and France were lower.

The UNICEF four-yearly tables on child welfare show that of the developed countries, the United States is normally at the bottom. Eight years ago we found ourselves second from the bottom, with the United States following, and the other European nations doing better. From a child and family welfare point of view we should keep looking to the continent rather than the United States, because that is generally the better direction to go in. I am concerned that as a result of the referendum, we may turn even more towards the United States and I hope that the Government—to give them another responsibility—will make every effort to stop that happening.

My time is up. With the noble Baroness, Lady Hooper, I visited the German Parliament in Berlin last week. One of the members of the economics and energy committee there asked me what modelling had we done of the economic consequences of Brexit—a question also raised by the noble Baroness, Lady Royall, today. Can the Minister provide us with information on what modelling has been done of our future prospects, particularly in the worst-case WTO scenario? I expect the European Select Committee of this House will play an important role in getting the information we as parliamentarians need on this matter. I look forward to the Minister's response.

11.22 pm

Baroness Pidding (Con): My Lords,

"We will honour the result of the referendum, whatever the outcome".

Those less than a dozen words with an unambiguous meaning were clearly written on the Government's leaflet and delivered to all homes prior to the referendum last year. The Conservative Party at the last election was clear in its commitment that a Conservative Government would hold a referendum on our membership of the European Union. As David Cameron said, this was to settle the issue of one of the most vexing political debates of the past 40 years. It was the largest democratic exercise in British history. More people voted to leave the European Union than have voted for any Government, party or anything else before. With this in mind, I am struck by the challenges presented to our constitution by some Members sitting in this Chamber—many purporting to be democrats who are willing to vote to deny or frustrate the democratically expressed will of the British people.

This issue transcends party politics. I have for the past 30 years, through involvement in voluntary politics, knocked on countless doors. One thing has been clear, expressed in different ways, through so many of those thousands of conversations—people are fed up and want their politicians to listen. It would be seen as an act of considerable arrogance if we were to act against the largest ever popular vote in a ballot in our history by attempting to frustrate the Government and the clear will of the other place.

Trust in British politics and politicians is at a terrible low. What will the message be to the people if we frustrate or ignore their direction? Over the weeks and months following the referendum, much was written about those who felt left behind in this country and felt they did not matter. Many people feel looked down upon by distant elites, sitting in high, lofty chambers and deaf to their concerns. What message do we send from this place if we frustrate Brexit now? They will feel more and more alienated from politics and the politicians who vote on the laws that govern their lives. That is dangerous to our democracy. It is not for us in this place, or indeed in this Palace, to use parliamentary gymnastics to frustrate or delay the will of the British people.

It would be a fool's folly and a dangerous undertaking to ignore the instruction given on 23 June last year. What precedent does it set if we simply ignore the results of referendums that we do not like? We must vote for this Bill.

On the subject of the Bill itself, this is a straightforward piece of legislation that simply gives the Prime Minister the authority to execute an instruction already given by the British people last summer. With that in mind, and given the fact that this Bill was given to us without amendment, the Prime Minister must have the flexibility to undertake these difficult negotiations. For this reason, I do not believe that we in this House should amend the Bill.

I am mindful of the fact that 48% of the country voted to remain, and the referendum exposed a country divided. But I believe we can begin to mend the wounds only by moving forward. Now that the decision

has been made by the British people, we need to make Brexit work, and work for everyone. We should all now focus on getting the best possible deal from the EU, one which will allow Britain to fulfil its ambition and play its full part on the global stage—an open Britain which is international and outward-looking, engaged with Europe and the world, and which offers opportunities to all.

11.27 pm

Baroness Lister of Burtersett (Lab): My Lords, I must admit, the sense of bereavement that I felt on 24 June was not to do with any question mark over our future in the single market or customs union, vital as that future is to the economic well-being and security of our fellow citizens, particularly those who will be increasingly left behind. Rather, the blow was to my identity. While I shall always feel like a European, I shall no longer be able to claim to be a European citizen. Many of the flood of emails I have received asking me to oppose or, at least, help amend the Bill—against just three in support—have expressed similar dismay at the loss of European citizenship. This is felt most acutely by those who have exercised their right to live and work or study in an EU country not of their birth. I believe the voices of the 48% need to be heard as well.

The unilateral provision of permanent residence and indivisible associated rights to EU nationals who are legally resident in the UK has been called for in the alternative White Papers prepared by groups of UK citizens in continental Europe and continental EU citizens in the UK, as well as in virtually every email I have received. To quote Heidi Allen MP, such provision is, "the moral and right thing to do".

This is argued also by the European Union Committee, which suggests that the uncertainty around the rights of EU nationals may be fuelling xenophobic sentiment as well as causing untold anxiety.

According to a European Parliament document leaked to the Guardian, permanent residency rights would make it more likely, rather than less, that the same rights would be accorded to UK nationals living elsewhere in the EU. Writing this into the Bill must surely be one of our bottom lines. But Brexit also raises wider important questions about human rights which, according to the Joint Committee on Human Rights, the Government are unable to answer, causing the committee to regret the lack of any clear vision as to how they expect Brexit will impact on the UK's human rights framework. Of course, assurances that workers' rights will be protected and even enhanced are welcome, but the EU has been the driver of many other rights, including some social and economic rights in the EU Charter of Fundamental Rights not covered by the separate European Court of Human Rights, which I believe it is essential we remain signed up to.

While no one is suggesting that the so-called great repeal Bill will repeal all those rights, what guarantee is there they will all survive without the underpinning of EU law, especially if we end up with the worst-case scenario of a no deal, deregulated economy? We will no longer benefit from the impetus of advances made at the EU level, such as the current consultation on strengthening parental leave. That point has been made

by many, including the Equality and Human Rights Commission, which calls on the Government to commit to taking on board future rights-enhancing laws emanating from the EU where appropriate. Will the Minister clarify the Government's position on these matters when he winds up?

It is not just a question of laws but, for instance, the emergent European pillar of social rights, designed to strengthen social Europe. It was suggested in a recent meeting in Parliament by a member of the UN Committee on Economic, Social and Cultural Rights that Brexit strengthens the case for ratification of the UN Convention on Economic, Social and Cultural Rights in order to protect social rights—especially important for marginalised groups. Refugees constitute a particularly marginalised and vulnerable group. Will the Minister give a commitment that, post Brexit, the UK will continue to respect and enable the family reunion provisions under the Dublin III regulations?

Talk of human rights may sound rather abstract, but we are talking about, for instance, women's rights, disabled people's rights—debated recently in this House—and environmental rights. Serious concerns have been raised by expert bodies about the future protection and enhancement of all these, yet, other than workers' rights, they are virtually ignored in the White Paper.

The JCHR also raised the question of human rights standards in future trade deals, as has Amnesty, which argues that it is essential that any future trade agreements strictly embed the UN guiding principles on business and human rights. I cannot help but fear that, for all the warm words in the White Paper about protecting respect for human rights and dignity internationally, under a hard Brexit human rights would take low priority in the unseemly haste to strike new trade deals, including with countries with poor human rights records and with a US whose President has legitimised misogyny, racism and xenophobia, is happy to trample on the rights of refugees and immigrants, and condones torture. He has, in any case, made it clear that he will put America first in any trade negotiations, as noted earlier. To avoid such a scenario, it is all the more important that Parliament has a meaningful and effective vote and scrutiny over the Article 50 deal.

I have been struck by the number of those who have written to me expressing shame at what has happened to our country since the referendum. This strengthens my belief, for the reasons I have given and many others—including the three knights' opinion on the constitutional implications of Article 50—that, to turn around the words of the Brexit Secretary, it is our patriotic duty to return the Bill to the Commons with key democratic and rights safeguards added.

11.33 pm

Baroness Finlay of Llandaff (CB): My Lords, why speak in this debate at this hour? A decision has been taken and the other place has voted. As a revising Chamber, we are increasingly respected in the country as people become aware of the scrutiny of issues that occurs in this Chamber. Many of the complex issues that need to be focused on in negotiations must not be forgotten in a rush to sign us out of the European Union. Raising issues and tabling amendments to be debated is now probably the best way to lay the

[Baroness Finlay of Llandaff]

foundations to ensure that the deep concerns of many are addressed. It is the only way to bring together several of the different camps that exist in our country at present. Those writing to us have laid out the issues clearly, with detailed arguments.

Many noble Lords have spoken about economic issues, but a healthy, active nation is essential for a productive future. Health security requires ever closer, not more distant, collaboration with all those European agencies working in areas such as infection monitoring and control, antibiotic resistance, mapping environmental chemical toxins, hazardous waste, control of air pollution, climate change and food quality, all of which are underpinned by EU frameworks. Of course, there is also collaboration over terrorism and crime prevention. Safeguarding our health means working with the main relevant European agencies and with Europol.

I want to focus on the health and social care workforce, of whom 11%—around 160,000—are currently from the European Union. With many posts unfilled, we will not become self-sufficient, with suitably trained staff, for many years. Around 7% of doctors across the UK are European medical graduates. We are heavily reliant on them. At consultant level, our dependence is even greater. Overall, 14.6% of fully trained specialists, including a fifth of surgeons and almost a quarter of ophthalmologists, are European medical graduates. These are people with unique, highly specialised skills. If they are not there, people cannot be treated.

In general practice, the Government have promised 5,000 more GPs by 2021, but currently one in five GP trainee posts in England—that is 611—are currently unfilled. In the north-east, almost half of such posts are vacant. Recruiting GPs and introducing seven-day practice opening will not be possible without medical recruitment from overseas. The Secretary of State himself confirmed this in evidence to the Health Select Committee in January. This may seem a short-term problem, but it will take decades even for this workforce to be brought up to speed, if we try to be self-sufficient. We are dependent on our European colleagues. EU nationals working in health and social care must have residency rights in a way that continues to attract talent to the UK; we should not just say, "Well, if you are here, you now can stay".

How can we turn these apparent difficulties into an arrangement of mutual benefit between ourselves and our EU partners? British doctors, scientists and other healthcare workers must be able to continue to go to the EU to train and to teach others. The benefits are two-way. For example, my own team helped set up palliative care training and advice services in many European countries. Advances in disease prevention and treatments need networks to facilitate high-quality research, clinical trials and patient access to innovative new technologies. Over the years we have been major beneficiaries of European research funding, particularly through framework funding grants. This is funding that we shall now have to find from elsewhere, while preserving the research collaborations, if we are not to fall behind. Such collaborations benefit both parties.

Our research strategy for the life sciences is part of our industrial strategy. Access to the world's best talent must be centre stage. While we look to attract from across the globe, we must not lose those already living here. The question of reciprocity of residence is more than leave to remain; it should specify rights of domicile.

I recognise that the clock cannot be put back and that the Prime Minister has a very difficult job. There are no magic wands. I hope the Minister can reassure the country that the Government recognise the importance of ensuring our long-term health and personal security and that vibrant research is good for all. Those working in these core areas need to know that they are welcome to live here in the long term.

11.40 pm

Lord Finkelstein (Con): My Lords, there's a Jewish story of a man who goes over a precipice and as he tumbles into the ravine he grabs hold of one solitary branch. As he swings there, his fingers slowly losing their grip, he shouts, "Is there anyone up there? Lord, is there anyone up there? Lord, what shall I do?" And a voice comes out of the heavens. "Son, let go of the branch. Let go of the branch". The man swings a moment more, staring into the unknown as he ponders the advice. Then he shouts, "Is there anyone else up there?".

We have asked the question. We have had the answer. There isn't anyone else up there. We will have to let go of the branch. Brexit means Brexit. Let us make sure we share an understanding of how we got there. It is a common complaint of the Liberal Democrats that David Cameron's Conservative Party implemented Liberal Democrat ideas and appropriated the credit. I think we can all agree that it would be tragic were such a fate to befall them yet again and on such an important issue. In 2008, there was one isolated pioneer calling for an in/out referendum on membership of the EU. It was not Nigel Farage; it was years before UKIP started advocating a national vote. No, it was lonely but determined Nick Clegg.

The Liberal Democrat leader bravely launched a petition. "We, the undersigned, believe the Government should give the British people a real choice on Europe by holding a referendum on Britain's membership of the European Union". The party distributed leaflets with Mr Clegg's picture on them. "It's time for a real referendum on Europe," it declared. "It is vital that you and the British people have a say in a real EU referendum." The campaigning Lib Dems had had enough of the temporising of their rivals. "The Conservatives," the party said dismissively, "only support a limited referendum on the Lisbon treaty. Why won't they give the people a say in a real referendum?" In fact, the Liberal Democrats like in/out referendums so much they now want another one. So I can imagine how frustrating it must be for them that, after Mr Cameron finally buckled to Lib Dem pressure and held Mr Clegg's referendum, all the credit for this democratic gesture has been taken by Mr Cameron. I am glad to be able in Parliament to right that injustice one other injustice, too.

It is astonishingly modest of the Liberal Democrats and the Labour Party to insist with great diffidence that noble Lords overlook the fact that they voted in Parliament to hold this referendum and they united to

do so. It is immensely good of them to insist that this be regarded as a Tory referendum, but really, we will not hear of it—they deserve their day in the sun, too. The whole of Parliament offered the British people a referendum and it was profoundly right that we did. I voted to remain in the European Union but the constitutional implications of remaining in the European Union are and were very serious and people deserved a choice. Nick Clegg offered a referendum because he knew people wanted one. Tony Blair offered a constitutional referendum because he knew people wanted one. When offered the chance, people voted to leave. I think this is a pretty strong answer to the idea that people did not really want a referendum at all. People knew what they were being asked, they knew what they thought and they understood what they were doing. Now it is our job to pass the Bill.

The counterpart to the false idea that this was just a Tory referendum is that what is being proposed now is just Tory Brexit: a harder, more chaotic, less caring Brexit than strictly necessary—we need a soft Brexit. Do even those who make this point really believe it? First, does anyone seriously suggest that we can allow our domestic regulations to be created by a body to which we do not belong? That is what being in the single market while leaving the EU means. During the referendum Nick Clegg called this "fax democracy" and it was correctly described as the worst of both worlds. Now he and others appear to be proposing that we opt for the worst of both worlds.

Secondly, does anyone seriously expect that the EU is going to allow us to remain in the single market if we leave the EU? It could not have been clearer that it will not. Thirdly, is anyone seriously suggesting that we can determine the outcome of Brexit ourselves and decide for ourselves if it is hard or chaotic? You cannot decide the outcome of multilateral negotiations unilaterally. So-called soft Brexit is not tenable—and, even if it were, it is not on offer. If we could really determine the shape of Brexit ourselves, and could be members of the single market without the other stuff, I do not know whether I would still have voted to remain. However, that was not on the table in June and it is not now.

11.44 pm

Lord Desai (Lab): My Lords, the advantage of following the noble Lord is that he has woken you all up and I can now get on with what I want to do. I have spoken about five times on this issue in your Lordships' House. Your Lordships may not remember, but I have. My line has been very consistent. Whatever we may think of the referendum as a process, we cannot judge its quality by the result. If you do not like the result, it does not mean that the process was bad.

The result was quite remarkable—52% to 48%. In England it was 53.3% to 46.7%. Few people remember that out of 34 million votes, 28 million were cast in England. In England the difference was between 15 million and 13 million. The difference of 2 million was exactly the difference at a national level—18 million to 16 million—so the 3 million votes on either side were cast in the three devolved regions. So the majority for Brexit comes from England. This was an English

nationalist vote—make no mistake about it—and we have to take it seriously because this is the largest part of the United Kingdom.

There is a double process. First there is the divorce and then there are negotiations on cohabitation. A lot of people in the debate today, with a lot of good will, have mixed up the two processes. They want to have a good cohabitation. More or less, they are saying, "Yes, I want a divorce", but then, "Let's forget it. I want the same life as we had before"—in other words, we want the single market, we want the customs union, et cetera. As the noble Lord, Lord Finkelstein, said, this option may not be available.

First, we have to do not a hard Brexit or a soft Brexit but a quick Brexit. The precise breaking up of the legal membership has to be done as quickly as we can. That will leave more time for the negotiations on the quality of the cohabitation, which are going to be long drawn-out. Even a trade deal will be long drawn-out if you want a trade deal with 27 other members. All the other things noble Lords have mentioned, including security and human rights, will take a long time to negotiate—so let us get the Brexit bit out of the way as soon as we can, maybe in six months. The Government may be able to come back after that to consult Parliament about the shape of the cohabitation. Once the Article 50 process is finished, we will be free to discuss among ourselves what to do next. But that distinction has to be made.

The only amendments to the Bill that will be admissible will be to clarify whether we want the parliamentary process to be there between invoking Article 50 and Brexit—whether Parliament should be consulted at all or whether we should give the Government a free hand to get on with the job and finish Brexit as quickly as possible.

The most important thing that will be discussed in the divorce negotiations is the budget. I am on the Financial Affairs Sub-Committee of your Lordships' Select Committee on the European Union and I can say without any doubt that practically no one knows what the bill is going to be. It is a fiendishly complex issue. In October, the Financial Times, no less, said that the bill would be £20 billion. In November it said that it would be £60 billion. I could give your Lordships almost any number between £10 billion and £200 billion on perfectly sound grounds. The problem is that what we pay will be the subject of the hardest negotiation possible. For example, there is a multiannual financial framework which is agreed for seven years—2013 to 2020—and we are going out in the middle of this seven-year budgetary agreement. Therefore, the question is: we agreed to pay something in 2020; do we get out without paying or can they say, "Hey, come on, you made commitments"? Not only that—there may be a committed scheme, say, to launch a road in Estonia for €10 billion, of which only €5 billion may have been spent so far. We have agreed to spend the other €5 billion and pay our share of it. Do we stop paying it?

So there will be a number of complex issues about the budget, and unless we get that right, and get it right early, we will not be able to proceed with the other good things in life that we want out of the

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European Union. My view is that we need clarity of thought about this problem—and the sooner we do it, the better.

11.50 pm

Baroness Meacher (CB): My Lords, the aim of those who voted for Brexit was, as I understand it, to bring back control to this country. This surely means to restore the supremacy of the UK Parliament. It is then the responsibility of Parliament to ensure that the outcome of the Brexit negotiations is indeed in the best interests of the British people. If we fail in that duty, we will deserve the wrath of our people. It is not the job of the House to prevent the passage of the Bill, as was very clearly explained to us by my noble and learned friend Lord Brown of Eaton-under-Heywood. But it is the job of us all to ensure that the Bill is passed only with a clear assurance on its face that Parliament will have an opportunity to debate the deal, or the lack of a deal, and to vote at the end of the negotiations with all options open to us.

Some have argued that to leave the EU with no deal would not be a problem because, of course, we can turn to the WTO system of tariffs. But the EU is about a great deal more than trade, as many noble Lords have already made clear. For most of us, the greatest contribution of the EU has been the peace we have experienced in Europe for half a century—probably the longest period of peace in western Europe for a thousand years. That is quite striking, is it not? For me, nothing is more important. Whatever deal our Prime Minister manages to achieve, will our relationship with the EU continue to provide that security? Parliament will need to consider this vital matter.

The second priority is our security in the face of terrorism and international organised crime. As things stand and as I understand it, the UK leads on four areas of Europol's work. If we leave the EU, we will need a concession even to have access to the Europol database. Will the deal ensure that Britain is to be treated as an EU member in this regard and will the UK remain central to the work of Europol? If we disappear without any deal at all, we would of course lose all that.

Will the deal ensure a stable and sustainable economy? What will be the implications for the standard of living—particularly of those who are only just managing—of the proposed tariff regime, not to mention the value of the pound? What will be the implications of the deal, or lack of a deal, for our higher education institutions and research, or our pharmaceutical and other key industries? How serious will be the loss of priority access to new medicines for us all? I understand that we would have to take our turn behind Europe, China, the US and other economies bigger than our own. To be sure, if we have no deal at all the consequences in all the above policy areas, and dozens of others, do not bear contemplating.

If there is a deal but it provides little or no assurance on peace, security, counterterrorism and fighting international organised crime, not to mention the future of our universities, the NHS, social care, research and our major industries, then Parliament must have a role in determining the best way forward for the British

people. In conclusion to this brief intervention, the issue for this House is indeed the supremacy of Parliament in line with the decision of the Supreme Court, and the need to ensure that Parliament can fully exercise that supremacy in relation to this most important issue of the day for our country.

11.54 pm

Lord Hamilton of Epsom (Con): My Lords, I addressed this House in a Question on 24 February last year, when I asked for Article 50 to be moved through Parliament at that stage. The Government slapped that down because they thought that they could probably get it through as an order and that it would not have needed to go through as a Bill. The timing was probably a bit early at that stage and I congratulate my right honourable friend the Prime Minister on sticking to her guns in saying that she should wait to the end of March. It has allowed tempers to cool a bit because there was certainly a great shock in the system, which lasted for some time after the referendum.

There have been voices in your Lordships' House today saying that we are all individuals, that we should use our judgment and that at the end of the day we can override a referendum which gave a not enormous but quite clear majority in favour of leaving the EU. There are great dangers in that. I do not think this is just an option that people can exercise. If Parliament is not seen to reflect the result of a referendum, it puts itself in a very difficult position. As my noble friend Lord Blencathra said, you give people no option but to take to the streets. People have to move away from Parliament if Parliament no longer reflects their quite clearly expressed views. There are enormous problems in that.

The noble and learned Lord, Lord Judge, said that he is definitely going to support the Second Reading of the Bill, but he expressed quite extensive distaste for referenda. He has friends who would agree with him on that all over the EU. They hate referenda too. So what happens? If I happen to be a French, Dutch or German citizen who does not like the EU very much, which is not actually a crime, I am given no option but to vote for the Front National, Wilders or the Alternative für Deutschland, which has become a rather nasty anti-immigrant party. What actually happens is that you shove people who have a quite respectable distaste for the EU and its institutions into extreme parties. What we have done in this country—and it is the object of a certain amount of admiration—is that the established parties have absorbed the wishes of the people as expressed in a referendum. That is surely one of the remarkable things that we have succeeded in doing.

I have to say to the noble Lord, Lord Newby, that I am deeply suspicious of all this second referendum stuff, particularly coming from the Liberal Democrats. They have always claimed to be so keen on referenda, yet when they do not get the result they want, they then seem to be deeply dissatisfied and call for another one. That is very EU, as we know. A number of times when there were referenda in the EU, the so-called wrong result came through and everybody was asked to vote again until they came up with the right result, but I do not think that is very British, and it is totally out of step with public opinion in this country.

The noble Baroness, Lady Royall, and the noble Lord, Lord Campbell, raised the issue of EU citizens in this country. The leave campaign made it a point that we want to see the rights of people resident in this country preserved, and I was quite keen that that should happen. We have been hearing in endless different speeches today that the EU is not going to let us carry on with life just as it was before. It wants to punish us for leaving. So if we take unilateral action and preserve the rights of the 3 million EU citizens living in this country, we are exposed to the EU doing something rather unpleasant to the expat Brits who live in Europe. It is not a question of a bargaining chip, it is just sensible that we should negotiate this on both sides. Once we have moved Article 50, I am sure it will be a very high priority to do that and then we can reach agreement on both sides; I am sure that will happen. It is quite significant that these negotiations have, to some extent, already taken place. Who is blocking any deal on this matter? Chancellor Merkel in Germany, who says that no agreement should be reached on this until Article 50 has been moved. That shows enormous compassion for the quite large number of Germans living in the UK, who she thinks do not really matter as long as the rules are followed. Anyway, let us not focus on that, but that is where we are.

The most remarkable speech we heard today was from the noble Lord, Lord Howarth of Newport, who raised a very interesting question. He said that the eurozone, as we all know now, is a complete disaster. It is only a matter of time before it collapses, but in the meantime, it is totally impoverishing working people in the south of Europe. He asked why leftish parties are so much in support of an organisation that, for some political experiment, actually impoverishes very large numbers of people on the continent. Why should this get the support of Labour members and the Labour Party in this country?

There is the threat as well, of course, that the EU would like to have a trade war with us and not give us the free trade we already enjoy. Well, they sell one and a half times as much to us as we do to them, so presumably they are going to crank up unemployment even further, for political reasons. If these are not good reasons for leaving the EU, I do not know what is.

12.01 am

Lord Glasman (Lab): My Lords, I am honoured to follow the noble Lord, Lord Hamilton, and agree with him about the principle of reciprocity being vital in future relations. But if he really wants to discuss how the European and British left got to the position of supporting free movement and a currency regime which had no flexibility whatever and punished workers, I suggest that we have a cup of tea outside—it could take too long at this hour of the night. I have been told that where you appear in the speakers list is up to the Whips—so at least I know where I stand in that regard. It is also a matter of joy to me, perhaps for the first time in the House, to completely support the political leadership of my party. It is remarkable, but I do. I participated on the leave side in the referendum and witnessed a quite joyous affirmation of democracy around the country. There has been a referendum and now a vote in the Commons, and it is entirely appropriate that we work in the shadow of that, and act in a constitutionally appropriate way.

The real reflection I would make on the referendum is that the people of our country made a distinction between free trade and free movement. It has never happened in the history of the world that free trade has been tied to the commodification and movement of people. This is what the EU has brought about and what has led to its undoing here, because it led to the democratic state having no possible control over the movement of people. That is a fundamental issue that relates to what the noble Lord, Lord Hamilton, said. It is a very strange thing for a socialist party not to comprehend fully that people are social beings, tied to the places where they live and to their relationships, institutions and history.

As regards this particular debate, there are three areas of negotiation, including the trade negotiation and the framework agreement, which I mentioned—but this is just triggering the divorce. Divorces are ugly. I recommend that your Lordships read the dissenting judgment in the Supreme Court, which is excellent. It says that there was no marriage in the first place and that it was always a matter for Parliament to make its move. I agree with that. I was very interested in what the noble Baroness, Lady Hooper, said about the three couples who got back together again. We mix in very different social circles, but I am very impressed—I know people who are married who do not have that degree of intimacy. But whenever there is divorce, it is entirely appropriate to ask, "What about the children?". That is a legitimate question. This is triggering a divorce. It is a time-bound issue, it will be ugly and it is about the distribution of property and all those things.

I was very encouraged by what was said by the Leader of the House in the opening statement. There are clearly six areas where we have got to offer deeper co-operation. We have to offer it in the areas of scientific research, universities, police, counterterrorism, workers' rights and our mutual interest in the environment. We have to go further and deeper, saying that relations with Europe will be based on reciprocity and that we will play our role. When it comes to the military aspect, I think that NATO is the best area to organise that, but it is clear that we will pay for the continued necessary co-operation in Europe.

At that point we can really raise our sights and talk about what I felt was the dominant factor: the yearning in the country for national renewal and a national purpose, and the way that people felt that that was stymied. As I said, I worked overwhelmingly with trade unions for the leave campaign, and there was just this idea that politics did not matter any more—that it was all legal and administrative and was working within that framework. In those terms, I agree that, as has been said, there was a working class insurrection.

In response to that, the Government brought forward the suggestions about workers on boards. I suggest that we really engage with that so there is a genuine sense of embedding the economy in areas, and I commend the idea of pursuing a vocational economy. We need precisely to heal the relationship with the people who feel that they were utterly disregarded by

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the previous settlement. That is necessary for civic peace, social order and our national renewal. We should move further towards thinking about regional banks so that there can be some capital for people to have access to in the malnourished regions of the country.

To conclude, it is vital that we just get on with this, initiate the divorce—which is never pleasant—and get through it. Within the framework agreement that is in Article 50, I suggest that we make positive and friendly offers to Europe in the areas that I have described, and then we will see how it goes with the trade negotiation. However, we should remember that those in Europe are committed to a very peculiar thing, which is that free trade requires free movement—and that is precisely what was rejected in the referendum.

12.07 am

Lord Malloch-Brown (CB): My Lords, I recognise that I stand between those noble Lords who are still graciously here and their beds. Several noble Lords have graciously said to me that I have the graveyard slot, so I do not know what I did to the Whips. One noble friend encouraged me not to take this to heart but rather to buck myself up by imagining that I was again delivering a ministerial wind-up speech, so I thought: "What would I say at the end of a debate like we have had today?". I would no doubt begin by acknowledging the wisdom of what has been said today and the extraordinary bench strength that this Chamber always has of legal, policy, commercial and other insights into an issue like this. I would indeed congratulate the House on living up to its reputation as a revising Chamber, a place that has the presence of mind to force a pause when necessary on the other place when the blood goes to the latter's head. We have heard several times today about the size of the majority on the Bill in the other place; I merely remind noble Lords that often it is the largest majorities in the other place that come most to embarrass it later.

But it was as that Minister that I suddenly realised that there was an illogic to the case I was making to myself as I prepared for this contribution. Praise of that kind would of course lead to an encouragement to accept amendments and a willingness that the tradition of this Chamber since Magna Carta meant that we should be open to accepting the wisdom of the people assembled here. I myself, who have returned from a leave of absence precisely because I felt that I should either resign entirely as a Peer or return to this House for perhaps the most important and historic decision that I would participate in during our lifetimes, find it strange to be told that we have no role but to nod the Bill through.

In that sense, as the blood goes back to the boots in the House of Commons, we have a right—not to overrule the other House; I am with all those who have said today that we must acknowledge the referendum result and allow Article 50 to proceed—to demand that cooling-off period in the other House. Its constitutional health is improved when occasionally it is forced to reconsider and think again.

Despite the references to patriotism and the people's will that we have heard so often in recent days and in our debate today, it is perhaps worth recalling, as I am sure historians such as the noble Lord, Lord Hennessy, will, that the Bill was not passed in the people's interest, it was passed in the interest of party. It is a crisis of parties that has got us into the situation we face today. An almost equally divided electorate finds itself irrevocably tipped towards a hard British path in such circumstances, rather than that of compromise and the middle way of a moderate Brexit. I acknowledge the logic of the noble Lord, Lord Finkelstein, in saying that a moderate Brexit is a hard thing to do, but I suspect that when a country is split like this, we are looking more for a Norway solution than for a hard Brexit.

Nevertheless, as we move towards that extreme solution, we need to remember that it is because of the exigencies of party, not people: a ruling party which, for reasons of internal party management under the previous Prime Minister, divided this country on an issue of their own making: Europe. It has now recovered unity, but at a terrible cost to the country. On the other Benches, a party divided and perhaps fatally weakened by the referendum has put up the white flag in the other place. In such circumstances, where party has trumped country, is it so unreasonable to ask that in this House we at least demand that there is a proper, final vote in this Parliament on the terms of Brexit?

I acknowledge that other important issues, such as the rights of Europeans living in this country—a terrible human case though it is-may not belong in the Bill and may be better treated elsewhere. But, on the issue of ensuring that Parliament is not reduced to a yes or we are out vote, a rock or hard place call, a deal or no deal reduction of Parliament to a game show—on that I think we can insist on the right to a final vote. That must be a real vote, with the choice to stay in if the deal is not up to the standards that both Houses demand.

Can we allow this party-political game to trash the rights of other groups such as the families of EU residents here? No, those issues may not be for today—but on this, let this House really be this House and make the amendments that need making, stand up for Parliament, principle and decency—and indeed, I would say, for people and country.

Debate adjourned until Tuesday 21 February at 11 am.

House adjourned at 12.13 am.