

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Seventh Delegated Legislation Committee

DRAFT SERVICES OF LAWYERS AND LAWYER'S
PRACTICE (AMENDMENT) (EU EXIT)
REGULATIONS 2019

Tuesday 12 March 2019

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Saturday 16 March 2019

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The Committee consisted of the following Members:

Chair: DAVID HANSON

Ali, Rushanara (*Bethnal Green and Bow*) (Lab)
 † Badenoch, Mrs Kemi (*Saffron Walden*) (Con)
 † Eustice, George (*Camborne and Redruth*) (Con)
 † Foxcroft, Vicky (*Lewisham, Deptford*) (Lab)
 † Frazer, Lucy (*Parliamentary Under-Secretary of State for Justice*)
 † Grogan, John (*Keighley*) (Lab)
 † Hair, Kirstene (*Angus*) (Con)
 † Hall, Luke (*Thornbury and Yate*) (Con)
 † Hart, Simon (*Carmarthen West and South Pembrokeshire*) (Con)
 McKinnell, Catherine (*Newcastle upon Tyne North*) (Lab)

† Milling, Amanda (*Cannock Chase*) (Con)
 † Phillipson, Bridget (*Houghton and Sunderland South*) (Lab)
 † Qureshi, Yasmin (*Bolton South East*) (Lab)
 † Snell, Gareth (*Stoke-on-Trent Central*) (Lab/Co-op)
 † Sturdy, Julian (*York Outer*) (Con)
 † Tracey, Craig (*North Warwickshire*) (Con)
 † Turley, Anna (*Redcar*) (Lab/Co-op)

Sean Kinsey, *Committee Clerk*

† **attended the Committee**

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Tuesday 12 March 2019

[DAVID HANSON *in the Chair*]

Draft Services of Lawyers and Lawyer's Practice (Amendment) (EU Exit) Regulations 2019

2.30 pm

The Parliamentary Under-Secretary of State for Justice (Lucy Frazer): I beg to move,

That the Committee has considered the draft Services of Lawyers and Lawyer's Practice (Amendment) (EU Exit) Regulations 2019.

It is a pleasure to serve under your chairmanship, Mr Hanson. The draft regulations, which form part of the Government's preparations for the possibility of the UK leaving the EU without a deal, relate to legal services in the context of our relationship with Switzerland. I will not detain the Committee long, but I will set out, first, the current framework; secondly, what we propose in relation to legal services in the EU in a no-deal scenario; and, thirdly, what we therefore propose in relation to legal services in Switzerland in a no-deal scenario.

As an EU member state, the UK is required to implement two European directives on legal services: the lawyers' services directive and the lawyers' establishment directive, both of which extend to Switzerland as a result of the free movement of persons agreement between the EU and Switzerland.

As part of our no-deal planning, the Government laid before Parliament a statutory instrument to amend the domestic legislation that implements the two EU directives. It will revoke the relevant provisions in the event that the UK leaves the EU without a deal. The draft regulations will ensure that deficiencies in retained EU law are remedied in a way that reflects the agreements that we have reached with Switzerland, retaining some provisions for Swiss lawyers in line with the UK-Switzerland citizens' rights agreement.

The draft regulations will grandfather UK and Swiss lawyers' recognition and establishment rights under the citizens' rights agreement, provided that they have transferred to the host state title before exit day. They will protect the rights of UK or Swiss lawyers who are

established, registered and providing services under their home title; as long as they remain registered, they will be able to continue to provide services, as they do at the moment. The regulations will provide a transition period of four years for lawyers to register or transfer under these arrangements. Finally, they will allow lawyers and law firms to continue to provide up to 90 days of temporary services in a year for at least five years, where this is under a contract agreed and started before exit. Swiss lawyers will also be able to apply, within four years of exit day, to join a profession in English and Wales or Northern Ireland on the basis of three years' qualifying experience as a registered European lawyer, in addition to the routes available to foreign lawyers. Switzerland has introduced its own legislation on the matter.

I said that I would be brief. I hope that the Committee agrees that the draft regulations will allow us to ensure that retained EU law functions effectively, provide continuity for Swiss lawyers with interests in the UK under our reciprocal agreement, and ensure an orderly exit from the EU.

2.33 pm

Yasmin Qureshi (Bolton South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hanson.

The Opposition will not seek to divide the Committee on the draft regulations. I agree with everything that the Minister said about the impact of the treaty and how the agreement will work. I just want to add one thing: as I am sure the Minister is aware, the new agreement does not make any provision to allow United Kingdom law firms to operate in Switzerland under their current structures. Some law firms will therefore face challenges and will have to amend their corporate structure. We hope that the Ministry of Justice and other Departments will work through the issues that arise from the future trade agreement with Switzerland in relation to law firms.

2.34 pm

Lucy Frazer: I thank the hon. Lady for indicating that she would not divide the Committee, which is a very constructive way forward. As I mentioned, Switzerland is introducing its own legislation on the matter.

I commend the draft regulations to the Committee.

Question put and agreed to.

2.35 pm

Committee rose.